



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 78<sup>th</sup> CONGRESS, SECOND SESSION

## SENATE

WEDNESDAY, MARCH 22, 1944

(Legislative day of Monday, February 7, 1944)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Father of our spirits, Thou hast ordained that not in cushioned seats of safety but in danger and stern conflict shall we find our strength and our triumph. Steel our hearts to endure hardness as soldiers of the common good. As with enraptured eyes we watch once more springtime touch barren wastes to loveliness and bushes bloom in flame, may the stirrings of a spiritual springtime bring refreshment and renewal, beauty for ashes, oil of joy for sadness, faith for fear, and hope for despair. Peering into the uncertain tomorrows we see as but through a glass darkly, but where sight fails faith walks unafraid, even through the valley of the shadows, knowing that in that future goodness, justice, and truth will abide, and that in them is the wealth of our life and the spring of all existence.

In these desperate days we pray that Thou wilt meet us each where lies our deepest and most personal need. Send us forth to our work today saying of Thee, as Thy servants have said across all the changing centuries, "He restoreth my soul." We ask it in the dear Redeemer's name. Amen.

### THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, March 21, 1944, was dispensed with, and the Journal was approved.

### MESSAGE FROM THE PRESIDENT— APPROVAL OF BILLS

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On March 20, 1944:

S. 393. An act for the relief of William Kovatis; and

S. 1589. An act for the relief of C. Guy Evans, Garland Mineral Springs, Index, Wash.

On March 21, 1944:

S. 617. An act for the relief of Homer C. Chapman.

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### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 324) to place postmasters at fourth-class post offices on an annual-salary basis, and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1232. An act for the relief of Roscoe McKinley Meadows; and

H. R. 1962. An act for the relief of Daniel D. O'Connell and Almon B. Stewart.

### ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1349. An act to authorize the Secretary of the Navy to convey to the city of New York certain lands within the Brooklyn Navy Yard in the city of New York;

S. 1410. An act to amend section 4 of the act approved June 13, 1940;

S. 1428. An act to amend the provision of the act authorizing payment of 6 months' death gratuity to widow, child, or dependent relative of officers, enlisted men, or nurses of the Navy or Marine Corps, and for other purposes;

S. 1635. An act to eliminate a pay discrimination against the teacher of music at the United States Military Academy;

S. 1653. An act to provide titles for heads of staff departments of the United States Marine Corps, and for other purposes;

H. R. 324. An act to place postmasters at fourth-class post offices on an annual-salary basis and fix their rate of pay; and provide allowances for rent, fuel, light, and equipment, and fix the rates thereof; and

H. R. 2836. An act to grant increases in compensation to substitute employees in the Postal Service, and for other purposes.

### CENTENNIAL OF FIRST TELEGRAPH MESSAGE

The VICE PRESIDENT, under the terms of House Concurrent Resolution 72, appointed Mr. WHEELER, Mr. BARKLEY, Mr. WHITE, Mr. WAGNER, and Mr. AUSTIN members on the part of the Senate of the Joint Committee to Commemorate the Centennial of the Telegraph on May 24, 1944.

### EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ORDINANCES OF PUERTO RICAN PUBLIC SERVICE COMMISSION: MANUFACTURE AND PROCESSING OF RAW SUGAR

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a certified copy of each of the various ordinances enacted by the Public Service Commission of Puerto Rico, granting to the sugar companies and mills listed therein the right to engage in the manufacture and processing of raw sugar (with accompanying papers); to the Committee on Territories and Insular Affairs.

### PERSONNEL REQUIREMENTS

Letters from the Administrator of the Office of Price Administration, the Administrator of the National Gallery of Art, and the Secretary of the National Advisory Committee for Aeronautics, transmitting, pursuant to law, estimates of personnel requirements for the quarter ending June 30, 1944 (with accompanying papers); to the Committee on Civil Service.

### AMENDMENT OF CIVIL SERVICE CLASSIFICATION ACT

A letter from the President of the United States Civil Service Commission, recommending that legislation be enacted to amend section 3 of the Classification Act of 1923, as amended, so as to further amend said section 3 by inserting at the end thereof a subsection reading as follows: "In subdividing any grade into classes of positions, as provided in the foregoing subsection, the Civil Service Commission, whenever it deems such action warranted by the nature of the duties and responsibilities of a class of positions in comparison with other classes in the same grade, and in the interests of good administration, is authorized to establish for any such subdivision or class a minimum or a maximum pay rate, or both, each of which shall be one of the pay rates of that grade as set forth in section 13 of this act, as amended. In no event shall any rate for a class of positions fall below the minimum rate or above the maximum rate of the grade in which the class falls. Such rates shall be duly published by regulation and may be revised from time to time by the Commission. The Commission shall make a report of such actions or revisions with the reasons therefor to Congress at the end of each fiscal year."; to the Committee on Civil Service.

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## RESOLUTIONS OF VIRGINIA LEGISLATURE

The VICE PRESIDENT laid before the Senate the following joint resolutions of the Legislature of Virginia, which were referred, as indicated:

To the Committee on Education and Labor:

## House Joint Resolution 46

Resolution memorializing Congress to pass a law requiring certain able-bodied persons to work

*Be it resolved by the House of Delegates of Virginia (the senate concurring), That the Congress of the United States is hereby memorialized to enact a law requiring every sane and able-bodied male person between the ages of 17 and 60 years, with certain exceptions, to work at least 40 hours in each calendar week for the duration of the present war emergency, at some gainful occupation when any such work is available at a fair and reasonable wage, regardless of whether such person is or is not financially able to support himself and his dependents without working, excepting, however, all persons serving any branch of military service of the United States, and such other persons as the Congress may deem proper; be it further*

*Resolved, That copies of these resolutions be transmitted, by the clerk of the house of delegates, to the presiding officers of the United States Senate and the House of Representatives, respectively, and to each member of the Virginia delegation in the Congress of the United States.*

To the Committee on Military Affairs:

## House Joint Resolution 45

Resolution requesting the National Congress to enact permanent legislation providing for reasonable compulsory military service by citizens of the United States

Whereas the state of military unpreparedness which existed in the United States at the outbreak of World War No. 2, and its consequences, have demonstrated the necessity for providing against a recurrence of such conditions: Now, therefore, be it

*Resolved by the House of Delegates of Virginia (the senate concurring), That the Congress of the United States be memorialized and it is hereby respectfully petitioned to enact legislation making permanent provision for reasonable compulsory military training and service by citizens of the United States of suitable age and physical condition; and be it further*

*Resolved, That copies of these resolutions be transmitted by the clerk of the house of delegates to the presiding officers of the United States Senate and of the House of Representatives, respectively, and to each member of the Virginia delegation in the Congress of the United States.*

## PROHIBITION OF LIQUOR SALES AROUND MILITARY CAMPS—PETITION

Mr. TUNNELL. Mr. President, I ask unanimous consent to present a petition sent to me by citizens of Delaware praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States. I ask that the petition be noted and referred to the appropriate committee.

The VICE PRESIDENT. Without objection, the petition will be received and referred to the Committee on Military Affairs.

## AMENDMENT OF FEDERAL FLOOD-CONTROL LAW—RESOLUTION BY VERMONT LEGISLATURE

Mr. AUSTIN. Mr. President, I ask unanimous consent to present for appro-

priate reference and to have printed in the RECORD a letter from the secretary of state of Vermont, together with an accompanying joint resolution of the General Assembly of the State of Vermont, endorsing the provisions of House bill 4179, pending in the Seventy-eighth Congress, and urging the endorsement thereof by other States. This relates to the protection of the domain of the several States from invasion by the Federal Government.

There being no objection, the letter and joint resolution were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

STATE OF VERMONT,  
Montpelier, March 18, 1944.

To Vermont Members of Congress, President of the Senate, Speaker of the House of Representatives, Attorney General:

DEAR SIR: I am glad to send you herewith a copy of Senate Joint Resolution 3, entitled "Joint resolution endorsing the provisions of H. R. 4179 pending in the Seventy-eighth Congress and urging the endorsement thereof by the other States," approved March 18, 1944.

Yours very truly,

RAWSON C. MYRICK,  
Secretary of State.

## Senate Joint Resolution 3

Joint resolution endorsing the provisions of H. R. 4719 pending in the Seventy-eighth Congress and urging the endorsement thereof by the other States

Whereas there has been introduced in the Congress a measure designed to recapture for the States certain rights, privileges, and prerogatives that by right belong to them; and

Whereas H. R. 4179 introduced in the Seventy-eighth Congress by the Representative from Vermont, the Honorable CHARLES A. PLUMLEY, has as its objective the amendment of Federal flood-control law so that such a result may be accomplished; and

Whereas this measure, if enacted, would reestablish the right of an individual State to have a dominant voice in the construction of flood-control projects within its borders: Now, therefore, be it

*Resolved by the senate and house of representatives, That the General Assembly of the State of Vermont not only hereby endorses wholeheartedly the principles embodied in this particular legislation but as well urge the legislative bodies of Vermont's sister States to take similar action; and be it further*

*Resolved, That the secretary of state be and he hereby is instructed to send copies of this resolution to Vermont's congressional delegation, to the presiding officers of the legislatures and to the attorneys general of our sister States.*

MORTIMER R. PROCTOR,  
President of the Senate.

ASA S. BLOOMER,

Speaker of the House of Representatives.  
Approved March 18, 1944.

WM. H. WILLS,  
Governor.

## ABSORPTION OF EXCHANGE OR COLLECTION CHARGES BY MEMBER BANKS OF FEDERAL RESERVE SYSTEM

Mr. CAPPER. Mr. President, I have received from Fred M. Bowman, secretary of the Kansas Bankers Association, an important resolution adopted by that organization expressing their opposition to the passage of the so-called Maybank bill, being the bill (S. 1642) to amend the Federal Reserve Act, as amended, to provide that the absorption of exchange and collection charges shall not be deemed

the payment of interest on deposits. I am advised that this is practically the unanimous opinion of the bankers of Kansas. I ask consent that the statement and resolution sent to me by the Kansas Bankers Association be printed in the RECORD and appropriately referred.

There being no objection, the statement and resolution were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

A group of States, both par and otherwise, believing that the Maybank bill in the Senate, which is a companion bill to the Brown measure passed by the House, would constitute a long step toward breaking down the par collection system established by the Federal Reserve bank and approved by the great majority of banks in the United States, the advisory committee felt that action should be taken at once to inform the Senators from Kansas and members of the Banking and Currency Committee in the Senate of the position of this association. Since the matter is coming before the Senate committee within 10 days, it is felt that there is not time to call a meeting of the committee on Federal legislation; and since the banks of Kansas have long demonstrated their approval of the par collection system the following resolution was unanimously passed and the secretary instructed to forward a copy of the same to each of the Senators from Kansas, the members of the Senate Committee on Banking and Currency, the five members of the House Committee on Banking and Currency who submitted a minority report to that of the full committee reporting out the bill, and to the office of the American Bankers Association with advices to the latter that our advisory committee believes that the A. B. A. should have taken an open position in opposition to the passage of this legislation, and to such other groups or committees as he feels might effectively aid in the defeat of the Maybank bill. The resolution follows:

"RESOLUTION OF THE ADVISORY COMMITTEE, KANSAS BANKERS ASSOCIATION, MARCH 16, 1944

*"Be it resolved, That whereas the Kansas Bankers Association, consisting of 624 members, being all but 1 of the banks in Kansas, both State and National, has throughout its long history worked diligently in the interests of establishing in our State and our Nation sound and conservative banking practices; and*

*"Whereas we believe that the perpetuation of privately chartered banks and that the maintenance of independent banking require that all banks pay checks drawn upon them at their face value without deduction of exchange or other charges (our belief in this banking principle being illustrated by the fact that, with the exception of two small banks in our State, all banking institutions maintain this par system); and*

*"Whereas there is before the Senate of the United States the Maybank bill (S. 1642), being a companion of the Brown bill (H. R. 3965), which has passed in the House of Representatives, which bill by its terms would defeat the very sound provision of section 9 of the Federal Reserve Act, as amended, and regulation Q based thereon: Now, therefore, be it*

*"Resolved, That the Kansas Bankers Association, through its advisory committee, declare itself to be strongly opposed to the passage of this Maybank bill; be it further*

*"Resolved, That the secretary of this association be instructed to send a copy of this resolution to each of the Senators from the State of Kansas, urging that they, on behalf of the 623 banks of Kansas now maintaining and supporting the par collection of checks, do everything within their power to defeat the passage of this bill."*



## THE BOUNDARIES OF POLAND

Mr. MALONEY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a letter which I have received from Dr. F. C. Tyburski, secretary of the Polish American Council, district No. 2, State of Connecticut, Bridgeport, Conn., and a resolution adopted by that council concerning the boundaries of Poland.

There being no objection, the letter and resolution were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

POLISH AMERICAN COUNCIL,  
DISTRICT NO. 2, STATE OF CONNECTICUT,  
March 9, 1944.

The Honorable FRANCIS MALONEY,  
United States Senate,  
Washington, D. C.

DEAR SENATOR MALONEY: It is my privilege to forward to you a copy of the resolution adopted by the Polish American Council, District No. 2, of the State of Connecticut.

The problem voiced in this resolution, Mr. Senator, is of vital concern and interest to us Americans of Polish descent, and I trust that you will give it your utmost consideration and attention.

Respectfully yours,  
Dr. F. C. TYBURSKI, Secretary.

We, the delegates to the annual meeting of the Second District of the Polish American Council, assembled at New Haven, Conn., on February 27, 1944, representing 350,000 Americans of Polish descent in the State of Connecticut, do hereby unanimously

*Resolve*, That we reaffirm our allegiance and loyalty to the United States of America and our trust in the leadership of our great President and Commander in Chief, Franklin Delano Roosevelt.

We subscribe without reservation to all the principles set forth in the Atlantic Charter, that Magna Carta of human liberty, and we do particularly affirm our belief that all nations, both large and small, have an unqualified right to exist free from fear of aggression by other nations and free to pursue their national existence by forms of government of their own choosing.

We believe that these principles should be adhered to without qualifications in the present dispute between Russia and Poland and that the future peace of the world is to a large extent dependent upon a proper solution of this question, entailing as it does the application of the principles of the Atlantic Charter.

We most earnestly urge the State Department to continue to refuse to recognize any conquests of territory made by force and any changes of government which are not made with the consent of the governed.

We believe that the Polish Government-in-exile in London is the sole legitimate authority empowered to speak for the people of Poland and that any attempts by Soviet Russia to discredit the Polish Government by setting up ex parte puppet regimes are in cynical disregard of the principles of self-government set forth in the Atlantic Charter.

We are firmly convinced that upon historical, moral, ethnological, and economic grounds, the eastern part of Poland, which is the basis of the present Russo-Polish dispute, belongs and should belong to the Republic of Poland and that any pretensions to this territory by Russia lack factual basis on any of the grounds enumerated.

We believe that any arguments advanced to the effect that the acquisition of this territory by Russia is necessary to her national defense against future aggression are without validity in these days of mechanized warfare and particularly in view of the major part played by air forces in present day com-

bat; and we therefore believe that these arguments in effect would protect large nations at the expense of smaller ones.

We believe that Poland's contribution to the cause of democracy and freedom merits the appreciation of the entire civilized world, embodying as it did the first armed resistance against Nazi aggression in the face of overwhelming odds and continuing to the present day both by the activities of the armed forces of Poland and of the vast network of underground resistance. We do, therefore, hereby unanimously

*Resolve*, That we believe it to be the solemn duty of the United States to stand fast by the principles of the Atlantic Charter and to do everything in its power and influence to further the just claims of Poland in the present dispute with Russia; be it further

*Resolved*, That copies of this resolution be sent to the President of the United States, the Secretary of State, and to the Senators and Representatives of the State of Connecticut.

Dr. B. L. SMYKOWSKI,  
President.  
Mrs. W. DUCH,  
Vice President.  
RICHARD T. MOKRZYNSKI,  
Financial Secretary.  
Rev. A. MAZURKIEWICZ,  
Treasurer.  
Dr. F. C. TYBURSKI, Secretary.

CROP INSURANCE—RESOLUTIONS FROM  
WARD COUNTY, N. DAK.

Mr. LANGER. Mr. President, I ask unanimous consent to present five resolutions adopted by the county committee and district committees of Ward County (N. Dak.) Agricultural Conservation Association in annual meeting assembled in the city of Minot, N. Dak., on February 4, 1944; the Ward County (N. Dak.) Agricultural Conservation Association, at Gasman Township Hall, February 17, 1944; Ward County (N. Dak.) Agricultural Conservation Association, at Berthold, February 19, 1944; Ward County (N. Dak.) Agricultural Conservation Association, at Minot, N. Dak., February 21, 1944, and Ward County (N. Dak.) Agricultural Conservation Association, at Kenmare, February 22, 1944, and I ask that they may be appropriately referred and printed in the RECORD.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

*Be it resolved by the county committee and district committees of Ward County (N. Dak.) Agricultural Conservation Association in annual meeting assembled in the city of Minot, N. Dak., this 4th day of February 1944, That*

Whereas farming is a very hazardous industry conventionally undertaken by individuals and individual families, consequently where unavoidable disaster overtakes the individual farm, the loss falls extremely heavy on the individual farmer; and

Whereas no private insurance company writes an "all risk" policy which a farmer may buy and be protected in his investment in his attempt to raise a crop; and

Whereas where private enterprise fails to provide the accommodation a people need for their welfare, then it devolves on Federal and State Governments to sponsor and put into operation the institution which private enterprise has failed to provide.

Therefore, we do petition Congress to sponsor, set up, and put into operation a Nation-wide insurance corporation that will sell farmers a policy that assures him that if what he salvages of his crop, when he has prac-

ticed good husbandry, is not worth an amount equal to his expenses, he may draw on the insurance corporation to cover the deficiency, the farmer to pay for the policy a premium based on the volume salvaged of the insured crop, the premium rate to be adjusted to districts established by the insurance corporation.

C. O. LAWSON,  
Chairman, Minot, N. Dak.

*Be it resolved by members of Ward County (N. Dak.) Agricultural Conservation Association, assembled at Gasman Township Hall this 17th day of February 1944, That we do hereby petition the Congress of the United States of America to sponsor, set up, and put into operation a Nation-wide insurance corporation that will sell us a policy that provides that, when we have practiced good husbandry, the resultant crop when salvaged is not worth an amount equal to the expense incurred we may draw on the insurance corporation to cover the deficiency.*

For such a policy we would pay a premium based on the volume salvaged of the insured crop, the premium rate to be adjusted to districts established by the insurance corporation.

E. P. NICOLAISEN,  
Chairman, Maz, N. Dak.

*Be it resolved by members of Ward County (N. Dak.) Agricultural Conservation Association, assembled at Berthold this 19th day of February 1944, That we do hereby petition the Congress of the United States of America to sponsor, set up, and put into operation a Nation-wide insurance corporation that will sell us a policy that provides that, when we have practiced good husbandry, the resultant crop when salvaged is not worth an amount equal to the expense incurred we may draw on the insurance corporation to cover the deficiency.*

For such a policy we would pay a premium based on the volume salvaged of the insured crop, the premium rate to be adjusted to districts established by the insurance corporation.

VICTOR HAUGEN,  
Chairman, Berthold, N. Dak.

*Be it resolved by members of Ward County (N. Dak.) Agricultural Conservation Association, assembled at Minot, N. Dak., this 21st day of February 1944, That we do hereby petition the Congress of the United States of America to sponsor, set up, and put into operation a Nation-wide insurance corporation that will sell us a policy that provides that, when we have practiced good husbandry, the resultant crop when salvaged is not worth an amount equal to the expense incurred we may draw on the insurance corporation to cover the deficiency.*

For such a policy we would pay a premium based on the volume salvaged of the insured crop, the premium rate to be adjusted to districts established by the insurance corporation.

GEORGE REINHOLDT,  
Chairman, Sawyer, N. Dak.

*Be it resolved by members of Ward County (N. Dak.) Agricultural Conservation Association, assembled at Kenmare this 22d day of February 1944, That we do hereby petition the Congress of the United States of America to sponsor, set up, and put into operation a Nation-wide insurance corporation that will sell us a policy that provides that, when we have practiced good husbandry, the resultant crop when salvaged is not worth an amount equal to the expense incurred, we may draw on the insurance corporation to cover the deficiency.*

For such a policy we would pay a premium based on the volume salvaged of the insured crop, the premium rate to be adjusted to

districts established by the insurance corporation.

J. B. SCHOU,  
Chairman, Kenmare, N. Dak.

#### PROHIBITION OF LIQUOR TRAFFIC DURING THE WAR

Mr. LANGER. Mr. President, I ask consent to present two identical petitions with different signatures sent to me by Mrs. E. G. Ranum, president of Valley City Women's Christian Temperance Union, of Valley City, N. Dak. I ask unanimous consent to have the petitions themselves printed in the RECORD, without the names attached thereto. I wish to state for the RECORD that the petitions are signed by 220 men and women, outstanding, patriotic citizens of North Dakota, most of whom I know.

There being no objection, the petitions were received, referred to the Committee on the Judiciary, and one of the petitions was ordered to be printed in the RECORD without the signatures, as follows:

To the Congress of the United States:

We, the undersigned, residents and voters of the United States, respectfully request that you give the most serious consideration to the enactment of laws for the protection of our boys and girls and for the best interest of our Nation and to speed the war effort in every manner possible. Therefore we urge—

1. The passage of laws to restrict and prohibit the sale of intoxicating liquor.

2. That no grain be used for making beverage alcohol and that all the facilities of the distilleries be used for making alcohol to be used for making explosives for munitions of war.

3. That the shipment of beer, wine, and other intoxicating liquor be absolutely prohibited.

Respectfully submitted.

#### REPORT OF THE FINANCE COMMITTEE

The following report of a committee was submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 4410. An act to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty; with an amendment (Rept. No. 765).

#### BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL (for Mr. BILBO):

S. 1802. A bill to amend section 16 of the act entitled "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,' approved June 20, 1906, as amended, and for other purposes," approved June 4, 1924; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 1803. A bill to provide for the sale of surplus Army general purpose automobiles to rural mail carriers; to the Committee on Military Affairs.

By Mr. MEAD:

S. 1804. A bill to extend to the custodial-service employees of the Post Office Department certain benefits applicable to postal employees; to the Committee on Post Offices and Post Roads.

By Mr. DAVIS:

S. 1805. A bill to amend the Social Security Act, as amended, to provide for recalculating the benefits payable to individuals

who receive wages after they have become entitled to old-age-insurance benefits; to the Committee on Finance.

By Mr. HILL (for Mr. BILBO):

S. J. Res. 121. Joint resolution to amend an act entitled "An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," approved September 19, 1918, as amended; to the Committee on the District of Columbia.

#### HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H. R. 1232. An act for the relief of Roscoe McKinley Meadows; to the Committee on Naval Affairs.

H. R. 1962. An act for the relief of Daniel D. O'Connell and Almon B. Stewart; to the Committee on Claims.

#### FEDERAL AID FOR READJUSTMENT OF VETERANS IN CIVIL LIFE—AMENDMENT

Mr. LA FOLLETTE submitted an amendment intended to be proposed by him to the bill (S. 1767) to provide Federal Government aid for the readjustment in civilian life of returning World War No. 2 veterans, which was ordered to lie on the table and to be printed.

#### APPROPRIATIONS FOR EXECUTIVE AND INDEPENDENT OFFICES—AMENDMENT

Mr. BUCK submitted an amendment intended to be proposed by him to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, which was ordered to lie on the table and to be printed, as follows:

Amendment intended to be proposed by Mr. BUCK to the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes, viz: On page 5, between lines 4 and 5, insert the following:

#### "OFFICE FOR EMERGENCY MANAGEMENT

#### "COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out the functions vested in it by Executive Orders 8302 and 9346, including salary of a chairman at not to exceed \$10,000 per annum and 6 other members at not to exceed \$25 per diem when actually engaged; travel expenses (not to exceed \$16,000); expenses of witnesses in attendance at committee hearings, when necessary; printing and binding (not to exceed \$12,000); purchase of newspapers and periodicals (not to exceed \$125); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed \$2,250), \$150,000: *Provided*, That this appropriation shall be for the remainder of the fiscal year ending June 30, 1944, and shall be immediately available."

#### ADDITIONAL COPIES OF MONOGRAPH 31, TEMPORARY NATIONAL ECONOMIC COMMITTEE: PATENTS AND FREE EN- TERPRISE

Mr. BONE submitted the following resolution (S. Res. 274), which was referred to the Committee on Printing:

*Resolved*, That, in accordance with paragraph 3 of section 2 of the Printing Act approved March 1, 1907, the Committee on Patents of the Senate is hereby empowered to have printed for its use 700 additional copies of Monograph 31 of the Temporary National Economic Committee relative to patents and free enterprise.

#### WHAT IS GOING ON IN WASHINGTON— ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD an address entitled "What Is Going on in Washington," delivered by him before the Eagles, at Milwaukee, Wis., March 16, 1944, which appears in the Appendix.]

#### WHAT WILL OUR BOYS COME HOME TO?— ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. MEAD asked and obtained leave to have printed in the RECORD an article entitled "What Will Our Boys Come Home To?," written by Senator THOMAS of Utah, and published in the February 1944 issue of the magazine Spotlight, which appears in the Appendix.]

#### WHAT HAS THE R. F. C. DONE FOR SMALL BUSINESS?—ADDRESS BY CHARLES B. HENDERSON

[Mr. MEAD asked and obtained leave to have printed in the RECORD an address entitled "What Has the R. F. C. Done for Small Business?," delivered by former Senator Charles B. Henderson at the dinner of the American Business Congress, at the Waldorf Astoria, New York City, March 17, 1944, which appears in the Appendix.]

#### SALES OF SURPLUS ARMY GOODS

Mr. WILEY. Mr. President, I was very much interested in a letter I received from the Chamber of Commerce of La Crosse, Wis., which contains notice of a sale, from which I read as follows:

#### AUCTION SALE—BRAND NEW ARMY GOODS

Approximately \$450,000 valuation. Surplus warehouse stock acquired from Army post exchange; removed for convenience of sale and will be sold at our showrooms, 420 East Eighth Street, Los Angeles, Calif., Monday, March 20, at 10 a. m.

Then, Mr. President, it lists numerous articles of Army goods, as follows:

Two thousand shirts; 7,000 trousers, 100-percent wool, elastique, O. D. wool, serge, China pink, green, O. D. natural; 15,000 officer's caps; 15,000 undershirts; 5,000 Cooper jockey shorts; 16,000 pair socks; 200 trench coats; 600 field jackets; 600 sweaters; 60 two- and three-suits bags; 4,500 sewing kits; 2,000 sleeping bags, 100 percent wool, zipper and button; 20,000 pairs sun glasses, goggles; 1,500 bike supporters; 1,000 furlough bags; 4,500 billfolds and wallets; 2,000 ties; 500 utility kits; 1,000 cribbage sets; 2,700 buddy and apron kits; 13,000 2-gallon water bags; 2,500 12-quart buckets; 3,500 4-quart basins; 4,500 belts.

Then in small type it says:

Money belts, tobacco pouches, shower clogs, laundry bags, toilet kits, photo folios, suitcases, duffle bags, pennants, pillow tops, post cards, etc.

Then the advertisement says:

In addition, we will offer for sale 10,000 G. I. field jackets, wool lined, zippers and buttons. Army tents, cots, pads, blankets, sheets.

The advertisement concludes as follows:

For further particulars and descriptive circular, communicate with J. J. Sugarman-Rudolph Co., commercial auctioneers and



liquidators, 415 East Ninth Street, Los Angeles, Calif.; telephone TUCKER 3131.

Mr. President, the small-business man of this Nation is concerned with how the Government is going to handle its surplus goods when the war is over. But the war is not over, and already the old game that went on after the last war seems to be starting.

Mr. President, the small-business man is concerned with not only what is going to take place after the war but, when such advertisements as this appear, he is concerned with what is going on now.

This advertisement appeared in the Chicago Tribune of recent date. It was called to my attention by the Chamber of Commerce of La Crosse, Wis. The letter states—and I think the statement is very significant—

This is a good illustration of what we fear is going to happen to the merchandising business in this country if the Army is allowed to dump its surplus merchandise whenever the Procurement Division decides to liquidate any one or more projects.

Mr. President, you and I remember what happened after the last World War. The small-business men in all the communities of this country found all at once, each one of them, that they had competitors who were not in business during the war. Some group, which had bought up vast quantities of surplus Army merchandise, had rushed into all the communities of this Nation, established "army" stores, and paralyzed the business of men who had paid the taxes and borne the burden of the war. This must not happen again.

Who are the small-business men, Mr. President? We have not the figures recently, but in 1939 there were establishments of manufacturers, rated as small-business men employing a hundred or less, 168,814; wholesaling 71,681; retailing 1,614,310; service establishments 637,585; hotels 25,224; construction 200,307; places of amusement 40,351.

There were 2,758,272 small businesses, employing a personnel of 8,364,071, that did a business in 1939 of \$43,600,000,000. Yet, Mr. President, since this war started, literally thousands of them have been liquidated because they could not obtain merchandise and, therefore, could not supply the wants of the citizens.

What do we find now? We find an example of blindness on the part of some one in Government who is starting the whole process over again by failing to make plans to enable these surplus Army goods to be siphoned through the worthy small-business men, but, instead, offering them at auction, so that some one can get a clutch hold and repeat the paralyzing process.

Mr. BARKLEY. Will the Senator from Wisconsin yield?

Mr. WILEY. I yield.

Mr. BARKLEY. The Senator knows, of course, that under the law as it is now the Department has to sell the surplus goods at auction. It is required to do it. It is required to advertise them.

Mr. WILEY. I am not questioning that.

Mr. BARKLEY. I understand; but the Senator is saying that the War Department should see that small business

gets the surplus goods. I agree with that theory, but Congress would have to take action so that some other method of sale could be inaugurated before the War Department could guarantee who would get the surplus materials.

Mr. WILEY. I do not question that conclusion; it indicates the very purpose of my remarks, as the distinguished Senator will find if he listens to the few concluding sentences I am about to utter. I am not talking about any individual; I am talking about an inadequacy which exists and which may grow to such an extent that it will have a paralytic effect upon this great part of our economy.

I said that after the last World War the small-business man found that an outlander, an outsider, would come into his town and set himself up in business. I remember the condition in my own town. I remember outsiders opening stores, people who never paid a cent of taxes in my town, people who never sustained the schools or the churches, who had never put one dollar into paving or any other improvement in the community. They opened up stores, they bought merchandise from the Government for a song, and made 100, 200, 300, up to 500-percent profit. We saw the businessmen who had been the backbone of the community further impacted on account of the lack of vision on the part of our leadership.

I say that must not happen again. If the Army and the Navy have not brains enough to handle this matter properly, it is up to the Congress to demonstrate that it has the capacity to do so. Already, because of lack of merchandise, thousands upon thousands of small businesses have been compelled to liquidate. There are many more thousands, as we know, on the ragged edge. We know they are in that condition because they cannot obtain merchandise. If the administrative branch of Government cannot devise a plan, we should not wait; it is our function to devise a plan. I know that both Houses are considering this problem, but we must see to it that the Army and the Navy, or the procurement divisions, do not repeat past history.

There should be some way by which this much-needed merchandise could be placed in the hands of small-business men. I cannot understand why the Army is selling it now, when we are about to open a second front, the western front in Europe. I cannot comprehend why they are doing it. Why is it? I think that is a question which should be answered, and I think the appropriate committee of the Senate should get the answer. There should be some way by which this much-needed merchandise—and I repeat, I do not know why the Army is selling it now—could be siphoned into the channel of the small-business man who still has life, who is not paralyzed yet by the inadequacy of the Government in making provision to enable him to get merchandise. That is the purpose of my remarks.

It has never been my idea that the way to argue a proposition is to pick out an individual and criticize him. I am talking of principles. I am saying

that it is the obligation of this distinguished body to see to it, and see to it as quickly as possible, that the thing which the Senator from Kentucky just brought to our attention does not carry us into the abyss into which we fell after the last World War.

There should be some way of getting this merchandise into the channels of the small-business man. There is a hunger for it. I remind the Senate that the notice says that the value of the merchandise to be sold is only approximately \$450,000. Of course, the sale of this small amount of stock in Los Angeles might not affect the people seriously throughout the whole Nation, but if this is a symptom of what is going to follow, then we had better provide the antidote to the disease, for it is a disease, and we should provide the antidote as quickly as possible.

It might be well for the appropriate committee to ascertain why at this time, when we are about to experience a test on the western front in Europe, there is this surplus. The committee could ascertain definitely what plans are in contemplation for the period during and after the war for handling this problem, that is, what plans the executive branch of the Government has, and then the committee should devise a plan. They are studying the subject; I am glad they are, and I find no fault in that regard. I merely say that sometimes we move too slowly.

The morale of a great segment of our economy in this country is at stake. Already in one State of the Union more than 7,000 small businesses have been liquidated because they could not obtain the merchandise with which to carry on. Are we going to permit merchandise not required by the Army and the Navy during the war to be siphoned off into hands which ordinarily pay little or nothing for it? It was brought out on the floor of the Senate a week or so ago, by the distinguished Senator from Michigan [Mr. FERGUSON] that more than \$1,000,000 worth of tools was sold for about \$40,000. I do not know the facts of that case, but I say that that, too, is another indication of a disease. In this instance the merchandise which is to be auctioned off cost the taxpayers of this country a great deal of money. It is merchandise which the taxpayers themselves want. They would like to see it sold through the channels of the ordinary small-business man, and I say it is our function to see to it that adequate legislative steps are taken to provide that such goods shall go through the ordinary channels, in order to maintain the economic health of the community.

Many communities are sick economically. Many merchants are on the ragged edge. If the Army and the Navy have merchandise to sell, the local merchants, who have been buying bonds and paying taxes and maintaining the economic health of their communities, should be given the chance, and not some smart buyers.

Mr. President, I repeat, the morale of the small-business men of this country is at stake in this matter. If they are pushed around much more—and a great

number of them have been paralyzed—then we who fail to take action to correct the situation should be held responsible. There has been too much fumbling by incompetent brains. The Congress of the United States, which is now in the process of recapturing its constitutional position as an independent and coordinate branch of Government, must not delegate the solution of this problem to the executive branch of Government. It is our job.

#### THE ST. LAWRENCE PROJECT

Mr. AIKEN. Mr. President, last fall I introduced Senate bill 1385, which provides for the development of the world's greatest natural resource, the St. Lawrence River. The bill was referred to the Committee on Commerce. On March 3 of this year I received a letter from the President reading as follows:

THE WHITE HOUSE,  
Washington, March 3, 1944.

HON. GEORGE D. AIKEN,  
United States Senate,  
Washington, D. C.

DEAR SENATOR AIKEN: I am convinced that the time has come for a nonpartisan effort to secure congressional authorization for the St. Lawrence development in order that the project may be available for early post-war construction.

The undertaking will offer such important benefits to many States that I am sure it will provide a desirable stimulus to industrial and business activity which will assist the entire country in its reconversion to a stable peacetime economy on a continued high-production level. Many competent studies have shown that it will not hurt the railroads or ports through which foreign commerce now flows but will ultimately increase their business.

I am advising interested Federal agencies that your bill (S. 1385), modified to provide for construction as a post-war project, has my approval.

I have appreciated your consistent support of this great undertaking.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. President, the President's desire for a nonpartisan effort to secure Congressional authorization for the St. Lawrence development met a very prompt response from the forthright young Republican Governor of New York, Thomas E. Dewey, and the New York State Assembly, which unanimously, in both houses, endorsed this project. I have here a statement which has been sent to me by Senator Rhoda Fox Graves and Assemblyman Grant F. Daniels of the New York Legislature, setting forth the accomplishments of the 1944 session of the New York State Legislature with respect to the St. Lawrence project. The statement would probably require 10 minutes to read. Therefore I ask unanimous consent to have it printed at this point in the RECORD as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Unanimous adoption of the concurrent resolution by the senate March 15, and by the assembly March 16, strongly urging the immediate development of the St. Lawrence River as a post-war measure, helps to place the State of New York squarely on record in favor of this great public improvement.

The full weight and significance of the unanimous action taken by the legislature are best understood when it is considered that this resolution also had the vigorous backing and support of Governor Thomas E. Dewey, and the majority and minority leaders in both branches of the legislature.

By its decisive action, the legislature disposed once and for all of the propaganda widely circulated by selfish, special interests to the effect that the State of New York is indifferent to the continued waste of its rich water-power resources and to the relatively high costs for electric service from steam-power plants imposed as a burden upon millions of commercial, rural, and domestic consumers in this area.

The legislature took its unanimous action, moreover, in the light of the fact that the United States and Canada on March 19, 1941 signed an agreement to provide for full development of the International Rapids section of the St. Lawrence River, including New York's power development, as an integral part of a multiple-purpose project for the completion of the Great Lakes-St. Lawrence seaway. This agreement is based on negotiations which were initiated by Presidents Coolidge and Hoover, Secretaries of State Hughes and Kellogg, and have continued under President Roosevelt and Secretary of State Hull.

The Agreement of 1941 and the six identical bills introduced in the present and the preceding Congress to confirm it, including New York's power project in the authorization, were specifically directed to the attention of the legislature before the adoption of the concurrent resolution.

On February 5, 1944, the undersigned authors of the concurrent resolution, Senator Rhoda Fox Graves and Assemblyman Grant F. Daniels, joined with Trustee George S. Reed of the power authority in a public statement warning that failure to provide for development of New York's power resources would result in serious economic dislocation and "a tremendous unemployment problem following this war." This statement, made public at Albany, continued:

"We believe that the Congress should pass the Aiken bill providing for the development of these power resources. . . . There are those in the State of New York who have joined with outsiders in objecting to the development of the St. Lawrence River for hydroelectric purposes on the ground that such hydroelectric development would actually be contrary to the best interest of the people of the State. If this argument is good, no hydroelectric development should ever be made anywhere and there should be no cheap power in the hands of the people of any State for disposition for sale. . . ."

"It is high time that the State of New York take care of its own interests and immediately take steps which will result in the development of the international section of the St. Lawrence River and the completion of the seaway."

The undersigned members of the legislature, Senator Graves and Assemblyman Daniels, accordingly on February 14, 1944, introduced companion resolutions in the senate and assembly which had the full support of the friends of the St. Lawrence seaway and power project in both branches.

In the form in which they were introduced February 14, the Graves-Daniels resolutions made specific reference to the legislation pending in Congress and memorialized Congress to take prompt and favorable action. When it was called to the attention of the authors of the resolutions that an agreement had been entered into among the leaders in the legislature not to report the numerous measures then pending, memorializing Congress, they revised the resolution to omit this feature.

The time having expired under the rules for introducing a companion measure in the assembly the revised resolution was offered in the senate March 13, 1944, by Senator Graves. It was favorably reported by the committee on finance and upon the motion of Senator Graves, who recited the above facts in an address in the senate, was unanimously adopted by the senate March 15. Upon the motion of Assemblyman Daniels, who elected not to have his original measure reported with amendments from committee, the identical resolution was unanimously adopted by the assembly March 16.

The text of the resolution, as adopted by the legislature, emphasizes the urgent need for cheap power and for the development of the St. Lawrence River on behalf of more than 4,000,000 commercial, rural, and domestic consumers in this area. While the resolution does not deal directly with the navigation phase of this multiple-purpose project, it was well understood that the authors of the resolution are on record in favor of the Aiken-Pittenger bill and sought this means to advance New York's power project as provided for under the terms of the pending congressional legislation.

That this is the true intent and effect of the adoption of the resolution is further confirmed by the fact that less than half a dozen members in both branches saw fit to voice their opposition to the navigation improvement when the resolution was open to debate. Moreover, the Quinn resolution, offered in the assembly February 28, which violently attacked the St. Lawrence seaway and the pending agreement and legislation, evoked no support in either branch of the legislature and was left buried in committee.

As stated on the floor of the senate by the joint author of the concurrent resolution adopted by the legislature:

"There is another urgent reason why the Legislature of the State of New York should at this time go on record in unmistakable terms in favor of the development of our great water power resources.

"A bill (S. 1385) has been introduced in the United States Senate by Senator GEORGE D. AIKEN, of Vermont, providing for the development of the St. Lawrence River in cooperation with our neighbor and ally, the Dominion of Canada. This bill provides for construction of the power development in New York in the International Rapids section of the St. Lawrence, as a State project under State ownership and control. . . ."

"The adoption of the pending resolution will serve notice that New York desires, and is determined to obtain, the full benefit of the development of its water-power resources, as a State project, under State ownership and control. In 1940, again in 1942, and in subsequent public statements, Governor Dewey has consistently gone on record in favor of the St. Lawrence project. In 1942 the completion of the project was pledged in the Democratic and American Labor Party State platforms. We should act, and act now, consistent with the redemption of these pledges, to give New York State parity in cheap power supply with other areas, to insure a place for our great water-power resources in the Nation-wide programs for post-war development now in the making, in the interest of our agriculture, our manufactures, our servicemen, and all our people."

In a public statement March 16, 1944 the author of the resolution in the assembly said:

"Passage of the resolution by both houses of the legislature means that we have successfully answered the charge of St. Lawrence project opponents that the State of New York is opposed to this great development.

"It is my belief that this action of the legislature, taken with the support and approval of Gov. Thomas E. Dewey, is the first



step toward actual construction of the project. Those of us who have fought for many years to see the day when these great undeveloped resources will be utilized for the benefit of the people are naturally enthusiastic over our success in passing this resolution. . . . At least we are on the way toward realization of our efforts to bring cheap hydroelectric power and its countless benefits to the people of the State of New York."

The authors of the concurrent resolution join in the above statement on the legislative history of this measure, for submission to Senator AIKEN, Representative PITTINGER, the National Grange, the National Seaway Council, and other supporters of the St. Lawrence project, as well as to Members of the New York delegation in Congress.

RHODA FOX GRAVES,  
GRANT F. DANIELS.

Mr. AIKEN. Mr. President, I also ask unanimous consent to have printed in the RECORD the concurrent resolution adopted by the legislature of the State of New York.

There being no objection, the concurrent resolution was ordered to be printed in the RECORD, as follows:

Whereas there is an ever-increasing need in the State of New York for cheap hydroelectric power not only to attract new industries to the State but also to retain those which are already established; and

Whereas the State of New York has no cheap hydroelectric power to offer to any new industry and already the lack of this cheap power has sent countless industries elsewhere; and

Whereas the development of the water powers of the St. Lawrence River will directly benefit more than 4,000,000 small commercial users, farm homes and domestic consumers of electricity in this State, comprising the greatest potential market for low-cost electricity in the world; and

Whereas unless the State of New York indicates its willingness and desire to bring to the people the untold benefits of cheap hydroelectric power and takes effective steps to this end, this New York State power will remain the only important hydroelectric power undeveloped in the entire United States; and

Whereas the Province of Ontario, through the Chairman of the Ontario Hydroelectric Power Commission, has expressed a desire to proceed at once with the development of this power resource in cooperation with the State of New York: Now, therefore, be it

*Resolved (if the senate concur),* That it is the sense of the legislature of the State of New York that prompt measures should be taken to provide for development of the power resources of the St. Lawrence River with adequate provisions to safeguard the rights and interests of the people of the State of New York in these resources under the inalienable ownership of the people.

WAR PROFITS AND RESERVES—EDITORIAL FROM THE CHRISTIAN SCIENCE MONITOR

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial which appeared in the Christian Science Monitor of March 20, 1944, entitled "War Profits and Reserves."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### WAR PROFITS AND RESERVES

The question of wartime profits of corporations continues to be of interest. The latest Truman committee report estimates undivided profits, after taxes, have reached a

cumulative total of \$10,000,000,000. The Department of Commerce, in February, placed the figure at upwards of \$8,000,000,000.

Noting that 70 percent of the total war orders are held by 100 large corporations, the Truman committee finds only 9 of the 100 "wholly free of excessive profits in 1942."

However, Secretary of the Navy Knox, testifying before another Senate committee, said that for the big firms the rate of profit, after taxes, was only 4 percent.

The reconciliation of Secretary Knox's views with those of the Truman committee is not so difficult as might at first appear. The Secretary is talking about rates, the committee is reporting on volume. A 4-percent rate on a \$200,000,000,000 2-year volume would equal the Department of Commerce's figure.

Naturally, the application of a general statement to specific instances that vary as widely as does the pattern of American war production brings up points of conflict. The Truman committee mentions a New York aircraft corporation which had average profits in its 1936-39 base period of \$32,483 after taxes. In 1942 its profits before taxes had multiplied 528 times to \$23,153,583, and its profits after taxes were \$5,403,583, or 168 times the pre-war average. Renegotiation then entered the picture and reduced the before-tax figure by \$8,000,000 and the after-tax figure by \$1,600,000.

This was cited by the committee as an extreme example, and of course it is an extreme example, because it is doubtful whether this firm before the war was very much more than a research and experimental plant, whereas today it is a mass producer, its scope completely altered.

Even so, the figures tend to support the administration's contention—in which business does not wholly disagree—that excess-profits taxes and renegotiation are the only effective implements available for keeping war profits under some semblance of control.

The question next arises whether it is desirable to cut even more deeply into war profits. And that is a question involving congressional intentions toward the reserves which business seeks to accumulate for the post-war conversion.

General Motors has said it will need \$150,000,000 to return it to automobile manufacture; General Electric sees need for \$50,000,000; Ford, \$70,000,000; Douglas Aircraft, \$63,000,000, and so on.

As the problems of renegotiation become problems also of termination, this question of post-war reserves will inevitably become of the sharpest importance to many concerns. It is decidedly not too early for Congress and the administration to formulate some clear policies.

#### CHARGES MADE TO SOLDIERS FOR FOOD IN RAILROAD DINERS

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter which I received from Pvt. Clinton R. Davies, from Camp Kohler, Calif., under date of March 13. Private Davies is a brother of Capt. Ron Davies. The letter deals with the charges made on the railroad dining cars for food furnished to men in the armed forces.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CAMP KOHLER, CALIF., March 13.

DEAR SENATOR: First I want to identify myself. I am Capt. Ron Davies' brother, but recently inducted into the Army. One of those pre-Pearl Harbor fathers, and a former Grand Forks resident.

I would like to acquaint you with a tremendous graft that the railroads generally are indulging in.

Thousands upon thousands upon thousands of meals are being served United States Army men being transferred or being shipped all over the country every day by railroad diners.

They charge the Government \$1, and the enlisted man takes just what is given him. The officers, I understand, make a choice. Enlisted men are herded in (I am not talking about troop trains), fed what the diners offer, then the man in charge signs an order authorizing the Government to pay them at the rate of \$1 per meal per person.

Now, I am the first to admit that a dollar is not an exorbitant price for a meal on a railroad diner.

Here is the menu served my contingent of 16 men coming from Fort Snelling to Sacramento. This meal is typical and was served on the Southern Pacific. It was prepared for hundreds of soldiers using Government meal tickets. Imagine the profits.

Mush; one roll; one muffin—no butter—a small portion of egg and potatoes; coffee.

Each soldier was handed an orange on the way out. No soldier had enough to eat. The Government paid \$1 a plate for that. They serve three much better meals than that for 58 cents a day in the Army.

These enlisted men are herded in by the military police and take what they get in the diners. With the volume of traffic dining-car profits must be enormous.

Remember, the big railroads segregate the soldiers. They are so often crowded they run their trains in sections. They have two diners—one for the soldier and a first-class one for the civilian.

This is large-scale graft, Senator, practiced by railroads owned by Averill Harriman and his cohorts. It should be stopped immediately.

Either the soldier should get a decent meal, or the Government should pay less. It is rank graft.

Incidentally, I was with the Immigration and Naturalization Service in civilian life. I see you are on that committee.

At your earliest convenience check this matter. I would appreciate knowing your reaction. It is a source of great discomfort and irritation to we enlisted men.

Sincerely,

Pvt. CLINTON R. DAVIES.

#### THE URGENT DEMAND FOR FARM MACHINERY

Mr. WHERRY. Mr. President, Allen Dowling is the editor of the Beatrice Times, of Beatrice, Nebr. Beatrice is located in Gage County, one of the finest agricultural counties in my State. I am sure the President of the Senate has visited in that town and knows something about the qualities of the products raised in Gage County, in southeast Nebraska. In the issue of the newspaper, the Beatrice Times, of day before yesterday—and the Times is one of the leading newspapers of Nebraska—Mr. Dowling states that he believes recent "farm auction lust" offers a beautiful illustration of the law of supply and demand. The article states:

A tractor was offered for sale in Gage County. Each prospective purchaser was required to put up a check for \$800 to show good faith, and there were 170 of them. It meant a total offering of \$136,000 for 1 tractor. The demand in money terms—

Dowling points out—

was ridiculously in excess of the supply in material terms.

That is all I want to quote from the article, but I wish to say that this incident affords a beautiful illustration of how short is the supply of farm machinery in the Middle West, which is known as the bread basket of the world. One tractor was offered for sale at auction. One hundred and seventy farmers put up \$800 apiece, or a total of \$136,000, to buy that tractor. Is there any doubt that in the further deliberations of the Senate we should see to it that the farmers of America obtain the machinery they require in order to produce the food which is needed not only for our own civilian population and our military but also for lease-lend purposes?

#### OBSERVANCE OF SUNDAY

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Reverend Harry L. Bowlby, general secretary of Lord's Day Alliance of the United States, setting forth the plan approved by his organization for securing a better observance of Sunday throughout the United States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

#### OBSERVE SUNDAY

The return of the Lenten season each year emphasizes the fact that Christianity is the religion of the Republic of the United States and so declared to be by its highest judiciary, the United States Supreme Court, having on February 29, 1892, handed down an obiter dicta opinion that this country "is a Christian Nation." *The Church of the Holy Trinity v. The United States* (145 U. S. 227).

It is likewise an interesting fact that the Constitution of the United States, article 1, section 7, paragraph 2, has incorporated the first day of the week, Sunday, and so recognized it as a civil institution.

In view of these facts recognition of Sunday by the Postal Service of the United States would be most appropriate and eminently in order would be the stamping on all pieces of mail the words "observe Sunday" for a period of 2 weeks previous to and including Easter Sunday, to remind the people of the United States that Sunday is the national weekly rest day, the friend of the toiler, a principle embedded in the Constitution of the United States and that Christianity is the friend of every person within the Nation who believes that it is his duty to this country "to love it; to support its Constitution; to obey its laws; to respect its flag; and to defend it against all enemies."

The President of the United States has expressed himself in favor of such a purpose. It is hoped the Congress of the United States will favor and enact legislation to that desired end and do so promptly in this critical period of our Nation's history.

The Lord's Day Alliance of the United States, New York 10, N. Y., representing 22 religious bodies whose communicant membership is above 20,000,000 with upward of 10,000,000 adherents, makes this earnest appeal, and for the introduction of a bill embracing the said purpose of the movement.

HARRY L. BOWLBY,

General Secretary,

Lord's Day Alliance of the United States.

#### AMMUNITION HELD AS SOUVENIRS

Mr. DOWNEY. Mr. President, in several million American homes there is ammunition which has been taken there as souvenirs by members of our armed

forces. That ammunition undoubtedly constitutes a threat and a danger in those homes. I have written a letter to the Secretary of War concerning that problem. I ask unanimous consent to have this letter printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 21, 1944.

The Honorable SECRETARY OF WAR.

MY DEAR MR. SECRETARY: There has recently been brought to my attention a condition which I believe should be presented to you for your consideration and proper action.

Almost all men in our armed forces have access to ammunition in some form and many have presented to their families and friends shells and various types of explosives small enough to slip, undetected, past the search of guards and sentries, which have apparently become the favorite home-front souvenir. There is undoubtedly today an enormous quantity of just such ammunition lying about the homes of the Nation. These explosives carry a potential danger for any family possessing them, particularly for the younger children.

There recently appeared an article in one of the California newspapers concerning a half-dozen youngsters and a 20-mm. shell which an older member of the family had brought home. The children undertook to unload the shell, using nails and hammers for tools. One was killed outright and four, I believe, hospitalized with serious injuries. This is only one example of what might happen in any of countless homes throughout the Nation.

However, after being apprised of the dangers in harboring such matériel, obviously, the first impulse would be to dispose of it as speedily as possible. Unfortunately, as you know, there are few safe ways to dispose of ammunition. Few people would return this Government property to the military authorities because of possible questioning and unhappy consequences for the boy who took home a souvenir because his buddies had already made it the thing to do. The probable result, then, of this reaction would be that vacant lots, canyons, and roadsides would become most dangerous for youthful explorers.

It is my thought, therefore, that simultaneously with informing the people of the dangers of keeping such ammunition they be afforded an easy and safe method whereby they can dispose of it. May I suggest that the police and sheriff offices be employed as receiving stations for this ammunition. These law-enforcement agencies have trained personnel who could handle and transmit the ammunition to the military authorities with safety.

I believe this problem merits wide publicity, and I trust expeditious and proper action will be taken toward the elimination of this existent dangerous situation.

Sincerely,

SHERIDAN DOWNEY.

#### POST-WAR PROBLEMS OF MOTION-PICTURE INDUSTRY—STATEMENT BY HAROLD HOPPER

Mr. DOWNEY. Mr. President, on February 28 Harold Hopper resigned his post as Chief of the Motion Picture Section of the War Production Board, and called upon the American film industry to organize a special committee to draft plans for presenting the problems of the industry at the coming Allied peace conference. I ask unanimous consent to have printed in the RECORD at this point

as a part of my remarks a news release dated February 28, 1944, containing this statement by Mr. Hopper. I think the suggestion of Mr. Hopper is most valuable, and I hope it will be acted upon. There is little I can add to Mr. Hopper's statement. I agree wholly with him in his measure of the importance of the film industry and the advisability of creating a proper industrial policy for the post-war era, so that this great American business can operate most widely and successfully both here and abroad. Mr. President, I hope the Senators will find time to read the release which I am placing in the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

WASHINGTON, February 27.—Declaring that 90 percent of the problems of the motion-picture and film industries related to the war have now been solved, Harold Hopper today announced his retirement as chief of the motion-picture section of the War Production Board.

In giving up the dollar-a-year post to which he was named more than a year and a half ago, Mr. Hopper said he felt free now to resume direction of his private business in Los Angeles, where he is connected with the cinema industry. Although his resignation is effective immediately, he will continue to serve the War Production Board in an advisory capacity.

The California man in relinquishing his official duties took occasion to urge upon the motion-picture industry the necessity of setting up a special committee for the purpose of presenting to the coming Allied peace table problems of the industry with respect to free access to world markets after the war.

"The film industry," he said, "should take steps now toward setting up some permanent organization to function in drafting a program for presentation at the peace conference, as well as in aiding the various Government agencies in their efforts to assist the industry through reciprocal trade agreements with Latin-American countries."

"Much valuable preliminary work can be done by the industry in both directions. Upon returning to Washington recently I was gratified to learn that certain arrangements have already been made by the State Department in furtherance of the free and unhampered distribution of American films through the operations of reciprocal trade agreements."

"But this is only one phase of the program which the industry should press for the removal of embargoes and other barriers to the free distribution of our films. The need exists for a permanent, well-organized industry committee, capable of dealing with national and international problems, particularly in relation to the peace conference and post-war conditions."

"Unless the industry lays the groundwork in advance for presenting its case it will miss a golden opportunity. The proper committee or agency should be set up now to begin preparing a program."

Mr. Hopper said the motion-picture industry is probably the greatest salesman of American goods and the democratic way of life that could possibly be devised.

"If results could be tabulated," he declared, "they would unquestionably show that the modern motion picture is not only the greatest salesman of the American way of life, but that it is daily selling everything from hairpins to steam locomotives, kitchen cabinets, bathroom fixtures, and motorcars, to say nothing of women's and men's fash-



ions, nationally and in every corner of the earth.

"Without a properly organized committee to keep the United States Government and all its agencies, as well as foreign nations, thoroughly conversant with the needs and requirements and problems of the industry, there is little hope that the motion-picture producers of the country will be given proper consideration at the peace table or in the domestic affairs of foreign nations with regard to consumer goods produced in the United States.

"It seems to me," he added, "that it is elementary that any such sales agency as this industry should take every step possible to see that its voice and influence are properly and adequately heard, both here and abroad."

In announcing that 90 percent of the war problems in film and motion-picture regulation have now been adjusted by the War Production Board, Mr. Hopper said that all of the essential needs of film by the Army and Navy and amusement had been met, and that he anticipated that sometime in 1944 there would be sufficient film production in the United States to permit unlimited sales even to amateurs and the general public. The latter point, he feels, is particularly desirable because of the urgent and insistent demand of our soldiers and sailors overseas and elsewhere for photographs of loved ones at home and familiar scenes. Such demands are growing stronger every day, he said.

Mr. Hopper said the latest evidence of the need for organization of an industry committee to function in connection with foreign problems was found in dispatches carried by the American press last week telling of an attack made on Hollywood films by Lord Brabazon in the British House of Lords.

"Lord Brabazon," he said, "was quoted as objecting to the policy which ended the freezing of the earnings of United States films in Britain, going on to say that, while such earnings were frozen, English films were allowed to be shown in the United States. He added that the moment the funds were unfrozen 'not another English film was shown in the States.'"

"This statement is simply not in keeping with the facts. If allowed to go unchallenged, it might result in a revival of the freezing policy. The American industry needs some group to watch its interests in foreign developments of the kind. It is far easier to correct misunderstandings of the kind than to undo the damage after it is done."

#### EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices for the fiscal year ending June 30, 1945, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 51, line 17.

Mr. McKELLAR. Mr. President, yesterday the Senator from North Dakota [Mr. LANGER] asked about some rubber gloves. I told him I would have the matter looked up, and I have done so.

The Securities and Exchange Commission purchases about 30 pairs of rubber gloves per year, spending therefor between \$15 and \$20. The fluids used in the photostat work, and the multilith work contain acids injurious to hands and it is, therefore, necessary that employees engaged on this work be pro-

vided with rubber gloves. The Comptroller General has ruled that for an agency to purchase rubber gloves there must be specific statutory authority therefor, and for this reason the appropriating language of the Securities and Exchange Commission contains the words "and purchase of rubber gloves."

Mr. LANGER. Mr. President, I am very grateful to the distinguished Senator from Tennessee for the information he has just given the Senate.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Willis
Downey	Overton	Wilson
Eastland	Radcliffe	
Elliander	Revercomb	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Missouri [Mr. TRUMAN], and the Senator from Washington [Mr. WALLGREN] are absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Indiana [Mr. JACKSON] is absent on official business.

The Senator from North Carolina [Mr. BAILEY], the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Utah [Mr. MURDOCK], the Senator from Texas [Mr. O'DANIEL], the Senator from North Carolina [Mr. REYNOLDS], and the Senator from Nevada [Mr. SCRUGHAM] are necessarily absent.

The Senator from Mississippi [Mr. BILBO], the Senator from Arkansas [Mrs. CARAWAY], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Colorado [Mr. JOHNSON], the Senator from Illinois [Mr. LUCAS], the Senator from Florida [Mr. PEPPER], and the Senator from Oklahoma [Mr. THOMAS] are detained on public business.

The Senator from Montana [Mr. MURRAY] is absent on official business for the Committee on Military Affairs.

Mr. WHERRY. The Senator from Oregon [Mr. CORDON], the Senator from South Dakota [Mr. GURNEY], the Senator from Oklahoma [Mr. MOORE], the Senator from North Dakota [Mr. NYE], and the Senator from Kansas [Mr. REED] are necessarily absent.

The Senator from New Hampshire [Mr. TOBEY] is absent on public matters.

The Senator from Michigan [Mr. FERGUSON] is absent on work of the Truman committee.

The VICE PRESIDENT. Sixty-seven Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, since 1916 I have been a very diligent worker in behalf of the building of the dams on the Tennessee River. In my own estimation my work in the Congress, during the time I have been a Member of Congress, in furthering the building of the dams on the Tennessee River has been the most important work of my life. In importance to Tennessee, of course, it far surpasses anything else I have ever done; and in building up the country it has been of great value.

Mr. President, I am somewhat embarrassed by many things which have been said in this debate. During the entire time that we have been working in behalf of these dams, there has been more or less embarrassment. Naturally that is so. It is a very large project. On it the Government has expended between \$750,000,000 and \$800,000,000. That is quite a large sum of money. It is estimated that the receipts this year from those dams will amount approximately to \$68,000,000. That is quite an item so far as the present state of our country in this war is concerned.

The committee has reported a change in the T. V. A. appropriation as passed by the House. The principal change is that instead of appropriating, as the House did, the unexpended balances of the present year's appropriation and appropriating the receipts of the T. V. A. for the coming year, and providing for a reserve of more than \$8,000,000, as the House did, the Senate committee has amended the bill so as to appropriate out of the Treasury of the United States the sum of \$76,000,000, and has inserted the usual clause applicable to other agencies, requiring them to pay into the Treasury their unexpended balances and their receipts, and doing away with the reserve fund of some \$8,000,000 requested by Lilienthal. For several years now Lilienthal has been getting, in addition to his appropriation, a clause like the one in the House bill authorizing him to use the income of the T. V. A. in his operations. Those are the principal changes involved in the amendments affecting the Tennessee Valley Authority.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AUSTIN. I should like to ask whether there are other amendments which affect this question or whether it is all involved in one amendment, and will be determined by one vote?

Mr. McKELLAR. It will not, because the amendments can be divided. The principal amendment is that providing for payment into the Treasury of the receipts. The others are all subordinate to that amendment. As the Senator will see, they are all related.

Mr. President, how could it in any way cripple the Tennessee Valley Authority if we should appropriate substantially the same amount that the Authority claims it would receive under the House provision? This matter has been exaggerated far beyond its real status. The committee proposes what Congress provided in the original law, namely, that the receipts shall be paid into the Treasury of the United States, and that the Authority shall come to the Congress for its money. Is there anything unusual about that? That is what we require in the case of nearly every other similar activity. Every other business of this kind is conducted on that basis. That is what the T. V. A. has done heretofore, until its receipts amounted to as much as its expenditures.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HILL. I do not wish to interrupt the Senator's speech, but the Senator knows, and I tried to make plain yesterday, that I do not agree with his interpretation, or his statement with reference to the basic law. I think the language of the basic law is very clear. If the Senator will yield, I should like to read it.

Mr. McKELLAR. It was read several times yesterday. I hope the Senator will wait until I conclude before reading the law again. I think we all understand what the law is. I hope the Senator will not read it again at this time.

Mr. HILL. I shall not do so, but I wish to make it clear that I do not agree with the Senator's statement.

Mr. McKELLAR. I understand that. The Senator said so several times yesterday, and I am quite sure the Senator does not agree with what we propose to do.

Mr. HILL. Not only do I not agree with what is proposed, but I wish to emphasize that I do not agree with what the Senator says about the basic law.

Mr. McKELLAR. I understand. I think it is well understood that the Senator does not agree with me on that point.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. Whatever may have been the original act, and whatever interpretations may have been placed upon it in the past, is it not true at this time that the principal question which is raised is whether the receipts from the Tennessee Valley Authority shall go into a special fund in the Treasury, always at the disposal of the T. V. A., amounting, in practical effect, to the building up of a revolving fund in the Treasury? Is not that the question?

Mr. McKELLAR. The Senator has stated it very accurately.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HILL. I do not wish to take the Senator's time, but I do not believe the Senator from Maine has correctly stated the proposition.

Mr. McKELLAR. Will not the Senator be good enough to have it out with the

Senator from Maine a little later? I shall greatly appreciate it.

Mr. HILL. I shall do so. However, let me say to the Senator from Tennessee that when I was speaking yesterday there was not a single time when he asked me to yield that I did not yield.

Mr. McKELLAR. The Senator yielded; but before I could ask a question, or even begin to ask a question, the Senator would answer it, and therefore the yielding did not amount to anything.

Mr. HILL. If the Senator will further yield, I believe that if the Senator will look at yesterday's proceedings he will find that I yielded very liberally and freely to the Senator from Tennessee.

Mr. McKELLAR. The Senator yielded; but he did not wait until I asked a question before he answered it.

Mr. President, practically all the principal dams on the Tennessee River have been completed. The notable exceptions are the dam at Gilbertsville, Ky., and the Fontana Dam. The Congress authorized the construction of the Watauga Dam and the South Holston Dam in upper east Tennessee. However, Mr. Lillenthal and his associate in the work, Mr. Krug, who had been loaned or transferred to the W. P. B., "cooked up" an arrangement by which it was to appear that the W. P. B. did not have the materials to permit these two dams to be constructed. However, in some remarkable way, it was found that the construction of the Fontana Dam, which was preferred by Mr. Lillenthal, could continue.

Mr. President, provision is made in the bill for the continuance of the work on all these dams except the two which I have named, the construction of which has been stopped by the W. P. B.

Mr. President, as I have stated, it is estimated that the income from the sale of power and fertilizer during the coming year will be nearly \$70,000,000. I need not repeat that the undertaking is a large one and that the Government has more than three-quarters of a billion dollars invested in it. In my judgment, it is time for the Government to reap some of the benefits. At present the project is under the absolute domination and control of one single man, whose name is David Eli Lillenthal. At the present time Hitler has no more complete control over Germany than has Mr. Lillenthal over the dams of Tennessee.

That can hardly be better illustrated than by a letter I received Friday from a constituent, which I shall now read:

DEAR SENATOR McKELLAR: I see where you have stated that Mr. Lillenthal had absolute power over the T. V. A.

I recall last February, a year ago, there were negotiations at Johnson City, Tenn., between Mr. Lillenthal and the East Tennessee Light & Power Co. looking toward the sale of the light and power company to the T. V. A. I was interested in getting T. V. A. power for Johnson City and in that connection we held an intercity meeting at the John Sevier Hotel in Johnson City to talk it over with Mr. Lillenthal. I asked him the plain question if he had the authority and money to buy the plant and pay the amount agreed upon. A price of \$11,000,000 had been discussed. He said "Yes"; he had absolute right and power to make the purchase if and

when the price was agreed upon. I also asked him if he had to consult anyone else, and he said "No."

That shows the way the T. V. A. is operated. It is operated by this one man.

Yesterday several questions arose for which I was sorry. I wish to show the Senate—and I think I can do so very quickly—the real and substantial reasons why Mr. Lillenthal should not have the power to establish a revolving fund, taking in money and pay it out as he pleases. As I have said, it is not done in other cases. Why should it be done in the case of the T. V. A.? Mr. President, I wish to invite attention to what has happened heretofore.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LANGER. How large a bond is this man under?

Mr. McKELLAR. He is under no bond whatever. He is an appointee.

Mr. LANGER. I know that he is an appointee, but has he put up a bond?

Mr. McKELLAR. He has put up no bond whatever. He has under his control more than three-quarters of a billion dollars of the American people's money. He is receiving \$75,000,000 a year from power and from the manufacture of fertilizer, and he has control of the money without let or hindrance.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHITE. Is it not also true that while he holds this office without any bond, there is no accounting or auditing by the Comptroller General's Office?

Mr. McKELLAR. There is auditing and accounting by the Comptroller General's Office. However, I wish to say that the T. V. A. officials pay very little attention to the recommendations made by the Comptroller General's Office. I had an investigation made of that matter, and I found that the last report of the General Accounting Office included a number of suggestions which were rejected by Mr. Lillenthal, who controls the T. V. A. He does not want any interference of any kind, or anyone to say him nay about anything.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AIKEN. I understand that the T. V. A. is audited by the General Accounting Office. I should like to ask the Senator from Tennessee if, to his knowledge, the General Accounting Office has ever reported to the Congress, as required by law, any irregularities, shortages, or mispending of funds if such conditions exist.

Mr. McKELLAR. No; it has not done so insofar as I know.

Mr. President, I shall give reasons why we should ask that these funds be not paid to Mr. Lillenthal, and that the Congress itself hold its hand on this activity.

At this point I desire to let the Senate know more particularly who this man Lillenthal is. I have an idea that Lillenthal when first appointed 8 years ago, was from Wisconsin. I had never



heard of him before, and I do not now know anything about his early history. I only know concerning his history since he has been on the T. V. A. The Authority was established in 1933. One of the first dams built by the Authority, as the older Members of the Senate will recall, was the so-called Norris Dam. In buying the property for that dam, Dr. A. E. Morgan, the then chairman of the T. V. A., made very specific charges of fraud against Lilienthal.

On March 4, 1938, Dr. Morgan gave out an interview to the New York Times in which he said it was his responsibility "to fight for certain deficiencies and proprieties in public life which are more important to good government than any particular Government program. The marble case presents an instance of this difficulty."

In reference to the so-called marble cases there are some Senators now present who were here when the marble cases were very prominently before the country. Several gentlemen had bought up the mineral rights under the lands taken for the Norris Dam. They bought those rights for a few hundred dollars, and then, as I remember, undertook to sell them to the Authority for five or six million dollars, claiming that marble was under the whole Valley, and that they were being deprived of their right to quarry it. There was a terrible furor about the matter, as Senators will recall, and finally there was quite a division of opinion in the Authority itself. Two members of the Authority wanted to compromise and settle with the claimants. One of them was Mr. Lilienthal, and the other was Dr. H. A. Morgan. Dr. A. E. Morgan, the then chairman of the Authority, felt differently, and considerable feeling concerning the matter arose between Dr. A. E. Morgan and Mr. Lilienthal. I wish to read what Dr. Morgan and others said. By the way, I shall include in my statement a number of excerpts which I think Senators will find interesting. One is from a statement by the Senator from Michigan [Mr. VANDENBERG]. Dr. Morgan said:

To a steadily increasing degree I have contended with an attitude of conspiracy, secretiveness, and bureaucratic manipulation . . . the public has been steadily, and I believe, purposely, led to believe that the difficulties within the Tennessee Valley Authority have been due primarily to differences as to power policy or to just another "family quarrel."

Mr. AIKEN. Mr. President—

Mr. McKELLAR. I will yield in a moment.

Mr. AIKEN. I should like to ask to which Dr. Morgan the Senator refers?

Mr. McKELLAR. I refer to Dr. Arthur E. Morgan. He continued:

The real difficulty has been in the effort to secure honesty, openness, decency, and fairness in government.

The New York Times printed an article quoting Dr. Morgan:

There is a practice of evasion, intrigue, and sharp strategy, with remarkable skill in alibi, and the habit of avoiding direct responsibility, which makes Machiavelli seem open and candid, . . . and man to man direct-

ness was a mask for hard-boiled, selfish intrigue.

And again:

The marble claims, in my opinion, were an effort at deliberate bare-faced steal.

Deliberate, bare-faced—a steal!

Here is a man's associate on a commission, on a governmental authority stating that his colleague was engaged in a conspiracy, in a bare-faced steal. Has that statement ever been denied by the man to whom it was directed? If there is a Member of the Senate who has ever heard of a denial of that statement by Mr. Lilienthal, I should like to hear from him.

Mr. HILL. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield to the Senator from Alabama.

Mr. HILL. The Senator from Tennessee is now talking about the old marble deal?

Mr. McKELLAR. Yes; and what is needed is honesty, whether in reference to marble or anything else.

Mr. HILL. Exactly; I agree with that; honesty is first and foremost, but the Senator ought to tell the Senate that the Senate of the United States and the House of Representatives set up a joint committee, the chairman of which was the then Senator from Ohio, Senator Donahay.

Mr. McKELLAR. That is true.

Mr. HILL. And on that committee were some of the most distinguished Members of the Senate and House of Representatives. They investigated T. V. A.; they investigated the marble case to which the Senator refers, and after weeks and months of investigation, of testimony, of hearings, and of consideration that committee gave the T. V. A. a clean bill of health in the marble case. As the Senator well knows there was a feud between Dr. Arthur E. Morgan, who made all these charges against Mr. Lilienthal, but, after making these charges Dr. Morgan could not substantiate them before the special committee of the Senate and the House.

Mr. MEAD. Mr. President, may I interject a statement?

Mr. HILL. The Senator from New York was a member of that committee.

Mr. McKELLAR. I shall yield in a moment; I desire first to answer what the Senator from Alabama has said. He talks about a feud. Every friend of Mr. Lilienthal and all the newspapers talk about his feud with me. Heaven knows, I have no feud with Mr. Lilienthal. The only thing I require of Mr. Lilienthal is common honesty in the administration of the affairs of his office, and as, in great degree, I caused the Congress of the United States to erect the dams in my State and in the neighboring State of Alabama, I would be derelict in my duty if I did not bring to the attention of the Senate what I know and what I will prove before I conclude concerning these matters. This is the first one of the items, but I have several others, showing exactly what this man's conduct has been all the time. He does not deny anything. He did not deny anything in the

hearings before the Donahay committee, of which the Senator from New York [Mr. MEAD] was a member. Did he come onto the stand and deny these statements?

Mr. MEAD. Mr. President, will the Senator yield?

Mr. McKELLAR. Will the Senator answer that question?

The PRESIDING OFFICER (Mr. DOWNEY in the chair). Does the Senator from Tennessee yield to the Senator from New York?

Mr. McKELLAR. I yield.

Mr. MEAD. He did not while I was in attendance on the committee.

Mr. McKELLAR. He did not testify at all. He merely let the charges go off as best they could, but he did not answer his colleague, and he never has answered him. It is not his method of doing business to answer charges made against him, and he has not done it.

Mr. MEAD. Mr. President—

Mr. McKELLAR. I yield to the Senator from New York.

Mr. MEAD. As a member of the committee that investigated T. V. A., I merely wanted to say, as indicated by my distinguished colleague the junior Senator from Alabama [Mr. HILL], that we visited the area of operations and went completely into all the charges. I recall very distinctly—and I should say this first—the splendid work done by the senior Senator from Tennessee in the matter of securing appropriations for the construction of the dams in the early period of the T. V. A. history. I also remember that with meticulous penetration we went into the marble deal and other deals, and in the final report, which is available to Members of the Senate, we gave the Tennessee Valley Authority a clean bill of health.

Mr. McKELLAR. I shall be very happy to show it to anybody who wants to read it, and I will guarantee that any Senator who has not already made up his mind who will take the report and study it will be obliged to come to the conclusion that this man was guilty.

The Senator from New York, my good friend who serves with me on the Committee on Appropriations, knows how this thing has been managed for years. He says that this man was given a clean bill of health. He did not even appear before the committee. Here is a man charged with stealing, charged with fraud, charged with the highest wrong, and he did not have the manhood to appear before the committee and say that he was not guilty. He did not come. He was given a clean bill of health without ever appearing.

Now, let me read further:

Arthur E. Morgan made extensive and unequivocal charges of dishonesty and lack of integrity in public office.

Of course, if this man had gone into any claims and had paid to the claimants for a claim of a few hundred dollars a few million dollars, we all realize that there was something unusual about it.

Senator VANDENBERG said:

It is impossible to turn aside . . . the charges of . . . Dr. Arthur E. Morgan . . . about lack of honesty in the expenditure of half a billion dollars.

I quoted Senator Norris the other day, but my attention has been called to the fact that I did not quote him sufficiently, and I shall now quote further what Senator Norris said about this matter. I do that in justice to Senator Norris, who is no longer a Member of this body. On March 8, 1938, which was about 6 years ago, Senator Norris said:

Mr. President, Dr. Arthur Morgan has spread this story all over the United States. People generally have an idea, and perhaps many Senators have an idea, that when these claimants, and Mr. Lilienthal, and the other Morgan, were about to rob the Government of millions of dollars—

This is Senator Norris speaking—

were about to rob the Government of millions of dollars, Dr. Morgan stepped in and called a halt, and saved the day.

That is what I read the other day. I have been asked to read a little farther from the same place, and I do so, as follows:

He did not do anything of that kind. I suppose he was suspicious. I think he has reached such a stage in his mentality that if he saw Lilienthal going to church he would charge him with being treasonable, because he would say, "He is trying to fool God Almighty."

Now I have read it all.

At that time the newspapers seemed to take the view that a case of fraud was involved. The Chicago Journal of Commerce, for example, stated:

Bluntly, Dr. Morgan charged that only his intervention had prevented the consummation of an agreement whereby his two colleagues would have permitted . . . (the marble interest) to exploit, hold up, and defraud the Government.

Mr. President, I believe this is as far as I care to go into that phase of the matter.

I feel I should say here that Dr. H. A. Morgan, a Canadian by birth who moved to Knoxville, Tenn., many years ago and was for a time president of the State university at Knoxville; is a kindly and good man. These charges were not aimed at him primarily. They were aimed at Lilienthal. The only charge made against Dr. H. A. Morgan was that he was being misled by Lilienthal. Since that time and prior to 1939 there was an investigation made by a Senate committee and all of these matters were gone into. It does not appear that Lilienthal ever denied the charges or affirmed them but just left them where they were. The Senate committee stated the facts but apparently did not have Lilienthal before the committee. At all events, in the record that I received there was no evidence given by Lilienthal. It was not shown whether he was guilty of the charges or not, but so far as this record shows he did not deny the charges that his colleague A. E. Morgan made against him. The Senate committee simply said the charges had not been proved and let it go at that. Dr. A. E. Morgan was asked to resign for other reasons and Lilienthal was put in his place and has been in his place ever since. Lilienthal has been before our committee a great many times. Every word that Dr. Morgan said about his secretiveness, will-

ness, lack of frankness, and lack of openness, is absolutely true. That he is a scheming, designing, and falsifying official of the Government there can be no doubt. That is the kind of a man we are dealing with. That is the kind of a man we have given \$750,000,000, at the lowest estimate, of the Government's money, or property worth that, which brings in an income of at least \$68,000,000 a year, and without requiring anything of him, just letting him take the receipts and run the matter to suit himself.

By the way, I have received two letters in the last day or so which show that Mr. Lilienthal recently bought a tract of land in Williamson County, Tenn., not very far from Muscle Shoals, containing phosphate rock, which can be extracted from the ground and made into fertilizer. I suppose he had an idea that the fertilizer plant at Muscle Shoals would be used for that purpose. I forget the number of acres involved, but, as I recall, it was about 800 or a thousand. Without ever saying a word to Congress, without ever asking "By your leave," without ever mentioning it or reporting it to Congress—it has not been reported yet, but came to light since this matter arose—he bought for \$678,459.80 a tract of land supposed to be phosphate land, which cost the phosphate concern from which he bought it about \$139,000. In other words, he bought it for over \$500,000 more than the concern had paid for it. That is not a matter of policy, such as my distinguished friend from Alabama was discussing yesterday; it is a matter of just everyday action. The same is true of another tract of land, not so large, which he has recently bought in Maury County.

Mr. HILL. Will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. HILL. The Senator is talking about the phosphate lands.

Mr. McKELLAR. Yes.

Mr. HILL. I have here before me the report of the joint committee investigating the Tennessee Valley Authority, and at this point, if the Senator will yield, I think I shall read into the RECORD the names of the men who constitute this committee.

Mr. WILEY. What is the date of the report?

Mr. HILL. This report was made during the Seventy-sixth Congress, first session, by the joint committee which made the investigation in 1938. The membership of that committee was:

Vic Donahey, Senator from Ohio, chairman.

H. H. Schwartz, Senator from Wyoming.

JAMES M. MEAD, Senator from New York.

Lynn J. Frazier, Senator from North Dakota.

JAMES J. DAVIS, Senator from Pennsylvania.

Graham A. Barden, Representative from North Carolina.

R. E. THOMASON, Representative from Texas.

THOMAS A. JENKINS, Representative from Ohio.

CHARLES A. WOLVERTON, Representative from New Jersey.

Mr. President, that was the membership of the committee which made this investigation. They investigated the purchase of these phosphate lands, and let us see what they said about it, if the Senator will yield for a moment. I read from page 216 of the report of this joint committee of the two Houses of Congress. It says:

Tennessee Valley Authority phosphate land purchases.

That is the headline.

The Authority's fertilizer production requires a continuous available supply of phosphate rock or matrix. In the beginning the Authority obtained rock by contracts with individual landowners and by leasing small tracts of phosphate land. Some ore was purchased from commercial companies. These methods proved unsatisfactory. The average cost of rock having a 52 percent content of b. p. l. (bone phosphate of lime) was about \$2 a ton at the mine, and an adequate tonnage could not be secured. The Authority therefore set out in 1936 to acquire phosphate lands of its own. A total of 2,986 acres have been acquired, containing estimated phosphate rock deposits of 15,065,800 tons. Purchases were made under the supervision of Dr. Harry A. Curtis, formerly head of the Authority's Department of Chemical Engineering and at present dean of the school of engineering at the University of Missouri.

I shall not read all the details, but I think this is germane—

Mr. WILEY. I understood the Senator from Tennessee referred to recent purchases.

Mr. McKELLAR. Certainly.

Mr. WILEY. The Senator from Alabama is referring to 1938.

Mr. McKELLAR. I am referring to recent purchases. I shall read the letter.

Mr. HILL. Very well.

Mr. McKELLAR. The letter reads:

On the registry books of Williamson County, Tenn., there is no evidence that the Tennessee Valley sold any properties to the Monsanto Chemical Co. There is evidence that the International Agricultural Corporation, incorporated in the State of New York, through their branch office at Columbia, Tenn., sold and transferred mineral rights in Williamson County, Tenn., to the Tennessee Valley Authority, in the name of the United States of America, for the sum of \$678,459.80, which transfer is recorded in book 71, pages 319 and 324, on August 7, 1937. These properties were purchased in 1934 by the International Agricultural Corporation for the sum of \$139,597.50. In this transaction you will see that the Government paid \$538,862.30 more than the original amount paid by the International Agricultural Corporation.

Mr. HILL. Will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. HILL. I will say the transactions to which the Senator refers are the identical transactions which the joint committee investigated.

Mr. McKELLAR. How in the name of heaven—

Mr. HILL. I can tell the Senator how in the name of heaven—

Mr. McKELLAR. Wait a moment. I hope the Senator will not follow the method he pursued yesterday. Yesterday whenever I would seek to interrupt the Senator would say "Yes; I yield," and then would proceed to interrupt me, so



I did not get any satisfaction in my attempt to ask questions of my friend. I hope he will let me make this statement.

It does appear that this purchase was made in 1937, and the joint committee may have passed on the matter, but no committee could explain how this corporation bought from a phosphate company lands for which the phosphate company had a year or two before paid \$139,000, at the enormous price of \$780,000, in excess of a half a million dollars more than the phosphate company itself paid.

Mr. HILL and Mr. WILEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Tennessee yield; and if so, to whom?

Mr. McKELLAR. I yield first to the Senator from Alabama, but I hope the Senator will not read long excerpts.

Mr. HILL. Let me say to the Senator, if I may—and I do not wish to impose upon him—that he brings up this question of phosphates as if there were something terribly wrong about it.

Mr. McKELLAR. I do not think it is terribly wrong, I think it is damnably wrong, and committed by Lillenthal against this Government.

Mr. HILL. This is the point to which I wish to call the Senator's attention. Whatever may be the opinion of the Senator from Tennessee—and of course he has a right to his opinion—the committee which was created to make the investigation certainly did not find it "damnably wrong," and they went into it thoroughly.

Mr. McKELLAR. They did not excuse it.

Mr. HILL. Just a moment. I am going to read from the report.

Mr. McKELLAR. No; I object to the Senator reading in my time.

The PRESIDING OFFICER. Does the Senator from Tennessee yield?

Mr. McKELLAR. I am unwilling to have the Senator stand here and read the report of a committee which whitewashed this man Lillenthal several years ago.

Mr. HILL. Then the Senator's colleagues in the Senate and the House were guilty of a whitewashing job?

Mr. McKELLAR. Oh, no.

Mr. HILL. That is what the Senator said. Of course, if the Senator thinks these splendid Senators and Members of the House who were members of this committee merely went to work to whitewash and did whitewash the T. V. A., I do not suppose he wants to know the facts.

Mr. McKELLAR. That is a very unfair statement, but I will let it stand just as it is, if the Senator will permit me to proceed for a few moments. The Senator addressed this body yesterday afternoon for 2 or 3 hours. Will not the Senator permit me to say a word or two? Will the Senator be gracious enough, kindly enough to permit me to submit the facts in this case without undertaking to read some balderdash from some committee report of 20 years ago?

The PRESIDING OFFICER. The Senator from Tennessee indicates that

he does not desire to yield further at this time.

Mr. HILL. The Senator from Alabama is not asking the Senator to yield.

Mr. McKELLAR. When the Senator has a question I shall be delighted to yield to him at any time, but I do not yield to him so he may read a book.

I now come to the second matter, and I want to read from a book, but it will not be long. I read from the Annual Report of the Tennessee Valley Authority. In other words, I am reading Mr. Lillenthal's own language. It appears on the second page of the report. He is telling what the Tennessee Valley Authority has done:

Returned—

I am reading his own language now—

Returned \$13,148,000 of net income to the United States Treasury.

What would anyone reading that language infer? To anyone on earth who reads it it would mean that Lillenthal had, out of the net income, paid over into the Treasury as general receipts \$13,148,000. Did he do it? He appeared before our committee and I asked him if he had paid it in. He said "yes." I said "When did you pay it in?" Well, he could not tell when. But, boiled down, he finally said that he had a private account and when I say "he" I mean the T. V. A., because he is the T. V. A. He said the T. V. A. had a special account in which it had put all its money. I asked him, "Was this paid to the Government?" "Oh, yes; this \$13,148,000 was paid to the Government." "Well," I said, "I happen to have a statement from the Treasury saying they have received no money at all from you as general receipts."

When he was thus confronted, he said, "Well, I put that in my own account."

Mr. President, is that paying it into the Treasury? Is there any one Senator present who would for a moment contend that that was paying a part of the net receipts in to the Government of the United States? It was a blind. It is what bankers call window dressing, but it is what I call plain falsification. Mr. Lillenthal wanted to curry favor with the Congress, and he made a false statement about it, and when confronted with it he had to admit it.

I telephoned the Treasury Department and asked if they had received any such sum from the T. V. A. and I was told over the phone that they had not. I asked the Treasury to write me a letter showing that fact as they stated it. In writing the letters the Treasury got it mixed up with an account that the T. V. A. has with the Treasury. In other words, the T. V. A. uses the Treasury as a bank and has its funds put in a specific account. Of course, that fund is a special fund and is subject only to a check of the T. V. A. The two letters tried to explain this account. I thereupon summoned Mr. Daniel W. Bell, Under Secretary of the Treasury, to appear before the committee and I asked him the direct question as follows:

Senator McKELLAR. Mr. Bell, last year the T. V. A. reported that it had paid into the

Treasury of the United States \$13,148,353. I want to ask you this question: Has the T. V. A. paid into the Treasury of the United States as a part of the general receipts of the Treasury \$13,148,353 or any other sum during the year 1943? What I wish you to do, Mr. Bell, is to answer "yes" or "no," then you may make any explanation you wish about it.

Mr. BELL. The T. V. A. did not deposit into the Treasury during the fiscal year 1943 any money that became a part of the general revenue of the Government.

It is thus seen that in making a report to the Congress of the United States Lillenthal was specifically falsifying about paying any money into the Treasury. No one on earth could read that testimony and think that Mr. Lillenthal was telling about making deposits in the T. V. A.'s special account with the Treasury. Anyone in reading it would have, of course, concluded that Lillenthal had paid into the general fund of the Treasury \$13,148,353 when he had done nothing of the kind.

Is that the kind of man to whom we want to turn over the Tennessee Valley Authority? Is that the kind of a man to whom we want to turn over, without let or hindrance, an income amounting to between \$68,000,000 and \$70,000,000 a year? Is that what we want to do?

Mr. President, I was instrumental in having the Government put its money in the T. V. A. project. I wish to say, right here and now, at this point, that most of it was done over the lobbying of this man Lillenthal. That brings me to another point in this matter.

In 1934, after the Norris Dam had been started, and after the Wheeler Dam had been started, Dr. A. E. Morgan and Lillenthal seemed to have been together at that time—it was before Dr. Morgan called him a thief and said he was defrauding the Government—and they fixed a policy. The Senator from Alabama [Mr. HILL] says that the Congress fixes the policy. They did not allow the Congress to fix this policy. They fixed the policy of a yardstick. They said that they were not in competition with private industry, that they were not in competition with the private power companies; that all they wanted to do was to furnish a yardstick by which the power companies would know how much it would cost to make water power, and therefore fix their rates based on the cost. Senators know how many power companies would pay any attention to such a yardstick thus established by the Government. Yet they wanted to fix a yardstick, and they did not want any other dams to be built. So when the matter of the next dam came up they did not make any recommendation to the President. The President did not make any recommendation to the Congress. The House did not provide in the bill of that year for any dams.

But when the bill came to the Senate, as my distinguished friend, the Senator from Maryland [Mr. TYDINGS], will recall, for he was on the committee at the time, I offered an amendment providing for the Pickwick Landing Dam. That was the first dam provided for. We paid no attention to the yardstick. We paid

no attention to the question of recommendation. That provision was adopted by the Senate and was adopted in the House, and that dam was built. That is how the dam came to be built.

Next year they still were fighting for their yardstick, and they came to Congress. They did not recommend that any more dams be built. The President did not recommend that any more dams be built. The House did not recommend that any more dams be built. But when the matter came over to the Senate I was one of those unfortunate ones who offered an amendment to provide for building the Guntersville (Ala.) Dam, in my friend's own State, the Chickamauga Dam near Chattanooga, the Hiwassee Dam not far from Chattanooga, and the Gilbertsville Dam in the State of my distinguished friend here the Senator from Kentucky [Mr. BARKLEY].

Lillenthal and Dr. Morgan came up and lobbied against those amendments. They went around and button-holed the various members of the Appropriations Committee and urged them not to vote for the amendments, stating that they had another policy, and they did not want those dams built; that the President had not recommended them, and the House had not recommended them and, therefore, they did not want them built. I remember that I had to say to them that they were lobbying here with the members of the committee who were passing on the matter, and they would have to get out of town or I would denounce them on the floor of the Senate for being here lobbying against the building of those dams.

We began to build three of the dams that year. We obtained appropriations for them. The next year the Gilbertsville Dam, located in the State of my distinguished friend, the Senator from Kentucky, who is now opposing me, who is standing with Lillenthal in this matter, was begun. I got that dam built the next year. I am looking into the face of my friend, the senior Senator from Maryland [Mr. TYDINGS], who was on the committee at the time, and I am sure he will vouch for everything I say about the matter.

At any rate, the next year I got the Watts Bar Dam built, in the same way—over their protest. And the next year I got the Fort Loudoun Dam built, in the same way—over their protest. And the next year I got the Cherokee Dam, in Tennessee, built, in the same way—over their protest.

The only dam Lillenthal ever favored, so far as I have ever heard, was the one known as the Douglas Dam. The water backed up by it covered one of the most beautiful valleys in the State of Tennessee. That is the only dam Lillenthal ever favored, so far as I know.

I got the Congress of the United States, beginning in the Senate, to build those dams at great cost; and I would be untrue to every principle of right and justice if I were willing to turn the Tennessee Valley Authority over to a man who opposed those dams, who worked against them, who lobbied against them, who fought against them in every way in the world. Yet he has circulated all

over Tennessee the statement that I am opposed to the Tennessee Valley Authority and to the Tennessee dams—a statement as false as the falsest statement ever made by any human being. A man who has such a small idea of truth undertakes to show to the people of my State in my absence that I am opposed to the T. V. A. when I have used the best years of my life in the building of these dams over the active lobbying of Lillenthal and his cohorts.

Dr. Morgan called him a Machiavelli. I say that he is simply a common, sneaking, infamous falsifier. I would use a harsher word if I were not here in the Senate.

I first worked for the building of those dams when I sat as a Member of the House of Representatives, in 1916.

Mr. CLARK of Missouri. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CLARK of Missouri. I merely wish to bear witness, as a member of the Commerce Committee, to the fact that not only did the Senator from Tennessee sponsor and stand for the Tennessee Valley Authority, but he came before the Commerce Committee and tried to strong-arm us into setting up a Cumberland Valley Authority, too.

Mr. McKELLAR. Yes; I applied for that, but I was not so successful in that case as I was in the other cases.

However, having been successful in my efforts to have the dams built in the Tennessee Valley, I certainly do not like to be charged with being opposed to the dams by the very man who was in Washington fighting against their construction. I have fought for something affecting those dams almost every hour of the day since way back yonder in 1916.

Mr. BONE. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BONE. Let me suggest, in view of the experience the Senator from Missouri has had in his own State with the Union Electric Co., in St. Louis, that it might have been a good idea to have had a Cumberland Valley Authority.

Mr. McKELLAR. Mr. President, since the able Senator from Washington has interrupted, I should like to say to him that the late Senator McNary, God bless his memory, came to me during one of those fights and told me he was interested in the construction of some dams in Oregon, and that he wished to have my help. If ever one man helped another, I helped the late Senator McNary in connection with those dams, both in the adjoining State and in the Senator's own State; because the Grand Coulee Dam is located in the State of the Senator from Washington [Mr. BONE], and the Bonneville Dam is in the late Senator McNary's State.

So, Mr. President, I wish to say that the statements which have been made about me in Tennessee—as to my being opposed to those dams—are malicious falsifications made by the oily, eel, designing, corrupt man who is now in charge of them.

By the way, Mr. President, someone said he was to be appointed Chairman of the Interstate Commerce Commission.

God save the railroads if Lillenthal is ever appointed Chairman of that Commission.

I have been working for dams along the Tennessee River for 30 years. During that time I have had the opposition of nearly all the newspapers, all the power companies, and many of the big interests. In addition to that, whenever anything good arises concerning those dams, the credit for it is immediately claimed by others. It has been so during the entire 30 years.

I wish to give as succinctly as I can the history of the building of those dams. It will take me only a moment or two to do so. In 1915 and 1916 I was a Member of the House of Representatives. I recall distinctly that the whole world seemed to be going topsy-turvy. On every side one could hear rumblings of war. The *Lusitania* had gone down, and the whole world was talking about it. During the time when those rumblings became greater, the Honorable James Hay was chairman of the House Committee on Military Affairs. S. Hubert Dent, of Alabama, was second in seniority among the members of the committee, and I was third. E. B. Almon was a new Member of the House of Representatives from the Muscle Shoals district of Alabama, and was a fine old gentleman. The elder John H. Bankhead and Oscar W. Underwood were the two Senators from Alabama. In 1916, when President Woodrow Wilson sent for our committee and told us that the country was in grave danger and that it was absolutely necessary for us to prepare the Army for the defense of our country, we, of course, knew that the *Lusitania* had been sunk and that Germany was on the rampage. We fully entered into the matter with the President. At that time in the House the Committee on Military Affairs, presided over by Mr. Hay, of Virginia, and of which I was a member, made the appropriations for the War Department. By the way, Mr. President, I should like to call attention to the fact that that is no longer the practice. The rule was changed in 1920. However, at that time the House Committee on Military Affairs prepared the appropriation bills for the War Department, insofar as the House was concerned, after having heard the testimony. It was then that I became a vigorous, earnest, and active advocate of having the Government build a dam at Muscle Shoals.

Mr. President, the situation in respect to the building of public dams at that time was very different from what it now is. At that time the power companies reigned supreme in this country. They did not brook any interference; and a man was regarded as extreme in his views, indeed, if he believed in public ownership. If it had not been for the First World War, we could never have built the dam at Muscle Shoals.

At that time it was deemed necessary to have a full supply of nitrates, and it was believed that the best way to obtain nitrates was by the use of water power. Naturally, there were many undeveloped water-power sites in our Nation at that time. The most notable ones, except for



Muscle Shoals, were in Oregon and Washington, as I stated a moment ago to the Senator from Washington [Mr. BONE]. Senator George E. Chamberlain was a United States Senator from Oregon. When I proposed the measure in the House of Representatives, we wanted to locate the dam at Muscle Shoals; and, if I remember correctly, we provided that it be located at Muscle Shoals. Then the bill went to the Senate. When the bill went to conference, it was found that there was such a difference of view between the conferees of the two Houses as to where the dam for the manufacture of explosives in time of war should be located that it became necessary to agree to strike out of the bill all reference to location, and to have the bill provide for delegation to the President of the task of selection of the site. The President was to select whatever site he might deem most appropriate.

The bill became law on June 3, 1916. At this point I shall read section 124 of the law, which gives its full terms, and shows that our committee not only authorized the dam, but that Congress appropriated the money in the same bill for the purpose of building the dam. Section 124 reads as follows:

Sec. 124. Nitrate supply: The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as in his judgment is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if in his judgment such means is best and cheapest, such site or sites, upon any navigable or nonnavigable river or rivers or upon the public lands, as in his opinion will be necessary for carrying out the purposes of this act; and is further authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment or other means than water power as in his judgment is the best and cheapest, necessary or convenient for the generation of electrical or other power for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

The President is authorized to lease, purchase, or acquire, by condemnation, gift, grant, or devise, such lands and rights-of-way as may be necessary for the construction and operation of such plants, and to take from any lands of the United States, or to purchase or acquire by condemnation materials, minerals, and processes, patented or otherwise, necessary for the construction and operation of such plants and for the manufacture of such products.

The product of such plants shall be used by the President for military and naval purposes to the extent that he may deem necessary, and any surplus which he shall determine is not required shall be sold and disposed of by him under such regulations as he may prescribe.

The President is hereby authorized and empowered to employ such officers, agents, or agencies as may in his discretion be necessary to enable him to carry out the purposes herein specified, and to authorize and require such officers, agents, or agencies to

perform any and all of the duties imposed upon him by the provisions hereof.

The sum of \$20,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available until expended, to enable the President of the United States to carry out the purposes herein provided for.

The plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital.

In order to raise the money appropriated by the act and necessary to carry its provisions into effect, the Secretary of the Treasury, upon the request of the President of the United States, may issue and sell, or use for such purpose or construction hereinabove authorized, any of the bonds of the United States now available in the Treasury of the United States under the act of August 5, 1909, the act of February 4, 1910, and the act of March 2, 1911, relating to the issue of bonds for the construction of the Panama Canal, to a total amount not to exceed \$20,000,000: *Provided*, That any Panama Canal bonds issued and sold or used under the provisions of this section may be made payable at such time after issue as the Secretary of the Treasury, in his discretion, may deem advisable, and fix, instead of 50 years after date of issue, as in said act of August 5, 1909, not exceeding 50 years.

That language was incorporated in an amendment which was agreed to and became a part of the bill. After the bill had been passed, Representative Hay, our chairman, and I went to see the President of the United States, Woodrow Wilson, and pled with him to choose Muscle Shoals as the site of the dam. Senator George E. Chamberlain earnestly pled with him to choose a site in Oregon. During the talk I had with President Wilson in favor of Muscle Shoals, he agreed that the dam should be built at Muscle Shoals; and it was built there.

Of course, while I was most active and vigilant in securing the location of that dam at Muscle Shoals, because I knew or hoped I knew what it would mean for the entire river, it was the action of President Wilson that started the first improvement on that river, just as I have related.

My recollection is that at that time both Senators BANKHEAD and Underwood were opposed to what was known as public ownership of power.

Mr. President, that dam was not completed when the war ended, although it was about completed. After the war, and after President Harding was elected, efforts were made by Senator Smoot, of Utah, and others, to scrap the Wilson Dam. There ensued a fight, which lasted from 1921 until 1933, over what was to be done with Muscle Shoals, as it was then called. Henry Ford made an offer for it, and his offer for it galvanized the dam as a living thing, again; and it was finally completed.

So, Mr. President, I say that when men talk about my opposition to the T. V. A., their statements to that effect are absolutely untrue. I am not opposed to the T. V. A. Heaven knows I think it is one of the greatest institutions in the world today. I am in favor of running it in the interest of the Government; I am in favor of everything connected with it,

except the devious, eellike, oily machinations of this man Lilienthal. I think he ought to be dismissed. More than a year ago I told the President of the United States that he ought to be dismissed, and I thought he was going to be, but he has not been. The purpose of this bill is to make him do the right thing with the proceeds as he collects them.

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WILLIS. Is the dam at Muscle Shoals the same as the Norris Dam?

Mr. McKELLAR. No. The Norris Dam is on the Tennessee River at Cove Creek, not far from Knoxville. Wilson Dam was the first dam that was built. It was not built under the T. V. A. at all. It was built under the original law, which I have just read, the one which I initiated in the House of Representatives 28 years ago.

Mr. WILLIS. I thank the Senator.

Mr. BANKHEAD. Wilson Dam is at Muscle Shoals.

Mr. McKELLAR. Yes. Wheeler Dam is just above it, in Alabama.

In this connection, Mr. President, I should like to tell the Senate about another remarkable thing. I have already said that the Treasury stated that Lilienthal had never paid in a thin dime to the Government of the United States. He is talking about what he does for the Government of the United States. With the expenditure of all this money, and with an income of \$70,000,000 for the T. V. A., he has not paid a thin dime to the United States. He admits that his receipts are \$8,000,000 more than his expenditures, but he puts that in a reserve fund for the use of Lilienthal, not for the use of the Government. We need this money as never before. Eight million dollars would help to some extent, but Mr. Lilienthal has never paid in a red cent.

Let me call attention to another matter. There is no income tax from this privately owned property. Mr. Lilienthal does not pay any income tax to the Government from this property. The Government receives nothing from it. If it were a private company it would have to pay an income tax, but Mr. Lilienthal operates it as a private company. He has written a learned article, which I will place in the RECORD, in which he states that he is in favor of a grass-roots administration of this activity, away from Washington, away from the center of everything. It must be operated down there, he writes. It must not be operated from Washington at all. Politicians might disturb it or distress it. He says that it must be given over to his tender mercies, and he has never paid a dime to the Government of the United States.

When the T. V. A. bill was under consideration I secured an amendment requiring the T. V. A. to pay 5 percent of the gross receipts from the dams in Tennessee to the State of Tennessee in lieu of taxes, and 5 percent of the receipts from the dams in Alabama to the treasury of the State of Alabama in lieu of taxes. The State of Tennessee is today

receiving between \$250,000 and \$300,000 a year from that tax fund, but the United States Government is not receiving a red cent. Mr. Lilienthal is placing it to his private credit in the Treasury of the United States. Is that fair? Is that just?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. The Senator says that Mr. Lilienthal is placing the receipts from the T. V. A. to his private credit. Does the Senator contend that that money is not going into the special fund established by Congress, in which the T. V. A. is ordered by Congress to deposit that money?

Mr. McKELLAR. No. What I mean to say is that Lilienthal is the T. V. A. That money is not paid into the special fund by direction of Congress, but by reason of a recent agreement between certain Members of the House, I believe, and Lilienthal, it is required to be placed to the credit of the T. V. A., a special credit in the Treasury. The Treasury is used as a bank, in place of other banks, but Lilienthal has absolute control of the fund. Not a dime of it can be used by the Government of the United States.

Mr. BARKLEY. The Senator says that Mr. Lilienthal has control of it. There are three members of the Board. Any two of them, of course, could control the actions of the Board. When the Senator says that Mr. Lilienthal controls it, he means that Mr. Lilienthal controls the other two members of the Board. At least two of them must vote in order to adopt any kind of policy.

Mr. McKELLAR. That is true.

Mr. BARKLEY. We established the special T. V. A. fund in the Treasury. The money does not go into the general fund of the Treasury, and never has gone into the general fund of the Treasury. That is what the Senator meant when he said that the T. V. A. had not paid anything to the Government of the United States. Of course it has not. It has paid it into the special fund created by Congress.

Mr. McKELLAR. Lilienthal stated that it had been paid into the general fund. He was not telling the truth.

Mr. BARKLEY. It went into the Treasury, but it went into a special fund in the Treasury.

Mr. McKELLAR. It went to the credit of his organization in the Treasury.

I do not intend to talk about the other members of the Board. One was formerly a Senator. He is a very estimable gentleman. The other is Dr. H. A. Morgan, a very fine gentleman. However, they permit Lilienthal to control the Board, and do as he pleases. He is just as much in control of that Board, and everything that pertains to the T. V. A., the dams, and the funds, as Hitler is in control of Germany.

There is another transaction concerning which Lilienthal falsified, namely, as to the rates at which he sold electricity to two aluminum companies. One was the rate that he sold to the Aluminum Co. of America, commonly known as Alcoa, and the other was the rate at which he sold to the Reynolds

Metals Co., also an aluminum company. It seems that he made the contract with Alcoa first and sold the power to that company at a very reasonable rate. I have no complaint whatsoever to make about his sale of the power to Alcoa at that rate. I am not criticizing Alcoa in the least, but I am criticizing Lilienthal about these rates. Afterward he made a 20-year contract with Alcoa on these rates, and later on he made a 20-year contract with the Reynolds Metals Co. Both aluminum companies were doing war work, both of them were reputable concerns, and yet Lilienthal, acting for the Government or claiming to act for the Government, sold electricity to the Aluminum Co. of America at a much less figure than he sold it to the Reynolds Metals Co. The evidence shows the difference in price was \$7,000,000 on the 20-year contract in favor of the Aluminum Co. of America. It is true that he undertakes to dispute some of the figures. Indeed, when I asked him which company he sold to at a less price he turned me over to Mr. Wessenauer, his expert, sitting by him, and said he would answer the question, and Mr. Wessenauer promptly answered that he sold it at a less price to the Reynolds Metals Co. Fortunately for the truth, we had a letter from Lilienthal to Mr. McIntyre, of the White House, in which he admitted that he was selling it at a higher price to the Aluminum Co. of America and tried to justify it by saying, among other things, he had sold to the Reynolds Metals at a subsequent period. Thus it is seen that again Lilienthal was engaging in his pastime of falsifying.

Again, Mr. Lilienthal was asked if the T. V. A. had not gone in partnership with the Aluminum Co. of America in the management and control of the Aluminum Co.'s four dams and other properties. He denied it; but, finally, on cross-examination, after weaving in and weaving out, he admitted that he had made a contract with the Aluminum Co. which constituted a working agreement between them in which mutual benefits were given and received. If that is not a partnership, I do not know what it is. Even with as broad powers as the T. V. A. has, there is no authority whatsoever for the T. V. A. to enter into a partnership with the Aluminum Co. of America.

Again, all of us old-timers remember how Senator Norris, of Nebraska, used to inveigh against the private power companies. He denounced them probably thousands of times as being in a power trust. Indeed, the only reason Senator Norris ever took an interest in the T. V. A. that I ever knew of was his opposition to the Power Trusts, and he thought there was also a good opportunity of breaking the hold that the Power Trust had on the power users of that part of our country.

Again, the record shows that I asked Lilienthal if he had not taken his place with the private Power Trusts. He answered "No," but finally admitted that he had a working agreement with various private power companies, and those mentioned were the Kentucky Power Co.; the Duke Power Co. of North Carolina; the South Carolina Power Co.; the

Georgia Power Co.; the Alabama Power Co.; the Mississippi Power Co.; and the Commonwealth & Southern, which used to be presided over by the Honorable Wendell L. Willkie. In a facetious manner I asked him if he had not taken the place of Mr. Willkie in the Power Trusts.

What their agreement is can only be understood by the technical power people, and I have not had time to have the technical people tell me what sort of trust agreement Lilienthal has with the power companies.

Again the evidence discloses other practices of Mr. Lilienthal that are most reprehensible. Referring again to the reserve fund, a peculiar thing about the appropriation as it passed the House is that it not only gave Lilienthal the unexpended balance and current income of the Authority amounting to nearly \$70,000,000 but it also set up a reserve fund of \$8,656,298. Why should the T. V. A. have a reserve fund? If we are going to build up a reserve in each of the departments we would have to build up a reserve with the Mississippi River Commission, the various reclamation projects in the West, the various Indian Bureaus, and manifold other Government agencies of similar kinds owned by the Government; and yet, Lilienthal, having absolute control of the T. V. A., recommended it, and our good friends in the House agreed to it, no doubt, after blandishments and cajoleries and pleading of this slick, scheming rascal who is in charge of the T. V. A. at this time.

Again, Lilienthal was asked about newspaper advertising. I asked him why the T. V. A. had to advertise in the newspapers. The amount of advertising they had done in the 3½ years from July 1, 1940, until December 31, 1943, had cost \$42,258.74. When he was asked about this advertising he said there was expense for legal advertising, and that is true, but it is not included in the above. He was then asked if the principal amount was not spent in 1940, and he said it was, and he said it was because of some drought that it was spent. As a matter of fact, it was spent in political advertising. At that time he was trying to defeat me for the Senate, and when he was asked about it he denied it, but, as Dr. Morgan said, he would say anything and do anything in his own interest.

I call the attention of the Senate especially to pages 384, 385, and 386 of the record. I asked him if instead of using it for the drought he had not used this money to curry favor with the newspapers in the State trying to defeat my reelection. As he always does, he denied it, and, as he always does, he tells falsehoods whenever he thinks it is necessary. He went all over my State denouncing me when my election was before the people and he spent this money perhaps at that time, and he admits he spent it at that time. There is one thing about a man, and that is that he knows when another man is against him, and he knows when another man is using improper means against him. Lilienthal had no purpose in mind other than to defeat me as Senator. It was not his money; it was the Government's money, and he ought to be



made to pay back every dollar of the \$42 000 that he spent in that behalf.

Mr. President, Lillenthal claims that he is complying with the law under which he is operating. Section 26 of that law reads as follows:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation, including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation.

That is the law. The provision in the House bill changes the law, and I want to leave the law as it is. Lillenthal has no right to violate the law. He asks the Congress to repeal a portion of this law. The Senate committee is standing by the law as originally enacted by the Congress. Lillenthal pays no attention to the law under which he is operating. If a provision suits him he stands by it, but if a provision does not suit him he ignores it and does as he pleases, as he has done in the case of the General Accounting Office of the Government. The law provides that the head office shall be at Muscle Shoals. He has violated that law and moved the head office to Knoxville, Tenn. Knoxville is the proper place for the Tennessee Valley Authority. It ought to have been there in the beginning, but at that time Muscle Shoals was the head of such power development as we had, and later, instead of coming to the Congress and asking that the Congress amend the law so that he could have his office in Knoxville, Lillenthal ignored the Congress and moved his office to Knoxville. He is now reaping the whirlwind after having sowed the wind at that time. It is a great pity, Mr. President, that the Tennessee Valley Authority has at the head of it a man who in effect actually despises the Congress. He ignores the Congress. He has contempt for it, and for every Member of it. When he thinks it will benefit him he tells a falsehood more easily than he can tell the truth. I have no doubt that he is raising the question about the general office of the Tennessee Valley Authority being moved back to Muscle Shoals for the purpose of undertaking to embarrass me. I offered an amendment in the committee to move the office to Knoxville, Tenn., so it would be legal, but his friends insisted upon voting it down.

Furthermore, Mr. Lillenthal has entered into a partnership with the Aluminum Co. of America. The evidence is as follows:

Senator McKellar. You are in partnership with the Aluminum Co. of America, are you not? Do you not control the power dams of the Aluminum Co. of America in the Tennessee Valley?

Mr. Lillenthal. No.

Senator McKellar. You do not control those dams?

Mr. Lillenthal. After the Fontana Dam has reached operating elevation the T. V. A. has received the right under a contract to direct the release and discharge of the waters in the Aluminum Co. dams on the Little Tennessee River for the purpose of increasing the total amount of power and flood control available from the whole river, if that is a partnership.

Senator McKellar. Do you not know that is a partnership agreement? Here is the Aluminum Co. which owns several small dams, and you own quite a number of large ones and you enter into a contract with the Aluminum Co. that you are going to control, manage, and sell the power of those smaller dams?

Do you not know that is a partnership? Mr. Lillenthal. I would call it cooperation between Government and business.

Senator McKellar. Cooperation. All right, go ahead.

Mr. Lillenthal. And as a result of this cooperation more water is usefully available for the production of electricity than if the Government operated dams on one part of the river and the company on two tributaries operated theirs separately.

It seems to me that is a great accomplishment. The views of these two agencies—T. V. A. and Alcoa—are hardly the same. But physical facts show, after years of study, that if dams of the T. V. A. and the Aluminum Co. were operated jointly more power could be developed than if they were separately operated and more flood control obtained, to the benefit of both the Aluminum Co. and the public.

The contract is published in our annual report for 1942 and I am very proud of it, sir.

Senator McKellar. It is a partnership.

Mr. Lillenthal. It is beneficial to both parties, and that is an accomplishment.

Senator McKellar. I know the act under which you operate is very broad and includes a great many things. Will you ascertain the provision of your act which authorizes you to go into a partnership with another and private power company?

Mr. Lillenthal. Well, reserving the objection to the word "partnership," I am sure—

Senator McKellar (interposing). Cooperative working arrangement mutually of benefit to both parties.

Mr. Lillenthal. Cooperation is authorized expressly by the language of this original act which contemplates the interchange of power and of water so we can get the best utilization of it.

Mr. President, the idea of a Government agency, without the consent of Congress, going into a partnership with the Aluminum Co. of America. I have nothing against the Aluminum Co. of America. Its officers and agents in Tennessee are fine men, but they know quite as well as does Lillenthal how to conduct their business. There is no provision for them to go into a partnership with the T. V. A., and Lillenthal ought to be dismissed from the employ of the Government, not only because he has falsified in regard to the amount of money paid into the Treasury of the United States but about the rates he charged the Aluminum Co. of America and the Reynolds Metal Co. and about putting in discriminatory rates. He should be dismissed, not only because he has joined in a partnership with the private power companies heretofore mentioned but as well because he has entered into a partnership with the Aluminum Co. of America.

I quote from the hearings concerning the so-called interchange of power:

Senator McKellar. How many private companies have you got partnership agreements with to furnish power and for them to furnish you power? You have a number.

Mr. Wessenaue. We have this sort of agreement with all companies interconnected with our system—

Senator McKellar. How many, the Commonwealth & Southern?

Mr. Wessenaue. The Commonwealth & Southern.

Senator McKellar. The Alabama Power Co.?

Mr. Wessenaue. The Alabama Power Co.

Senator McKellar. The Georgia Power Co. and the Louisville Power Co.?

Mr. Wessenaue. That is right.

Senator McKellar. You are just one of the large organizations of power, are you not?

Mr. Wessenaue. May I explain that?

Senator McKellar. Yes; but that is true, is it not?

Mr. Wessenaue. We also have interconnections.

Senator McKellar. You have a working arrangement.

Mr. Wessenaue. We have a working arrangement of this kind. If we have a plant which cost us 4 mills to operate and produce power, say a steam plant, let me take 5 mills, the steam plant at Nashville cost 5 mills, if one of our neighbors has power that is idle that will produce power for 3 mills, we have a plan where we can cut down our generating and save the 2 mills.

Senator McKellar. That is a partnership arrangement?

Mr. Wessenaue. It is an arrangement. We have not anything to say about their business and they say nothing about ours.

Senator McKellar. Have you not organized a great power trust down there that makes Mr. Willkie's trust look like a "thingumajig"?

Mr. Wessenaue. No.

Senator McKellar. How much power is generated in Mr. Willkie's outfit?

Mr. Wessenaue. If the question is whether we produce more power than Commonwealth & Southern, the answer is "Yes."

Senator McKellar. You are joined up with the Alabama Power, the Louisville Power, the Commonwealth and Southern, the Georgia Power Co., the South Carolina Power Co., and the Duke Power Co.

Do you believe you could put all the power companies you have in the record? I wish you would get the names of all of them and put them in the record.

Mr. Wessenaue. Yes. The schedule of interchange agreements with private power companies is presented on page 449. Such interchange agreements are expressly authorized by the following language of section 12 of the Tennessee Valley Authority Act (48 Stat. 65-66): "And provided further, That the Board is hereby authorized to enter into contracts with other power systems for the mutual exchange of unused excess power upon suitable terms, for the conservation of stored water, and as an emergency or breakdown relief."

I did not name all the companies, but all of them are named on page 449. There are sixteen of them.

Under the section of the law authorizing surplus power the Tennessee Valley Authority enters into a trust agreement as is shown on page 453 to page 547.

To show they are using implied authority granted in this act to exchange power with private companies the following question and answer are cited:

Senator McKellar. Your lines are constantly connected and the power is all in one great reservoir and you transmit it where you like to the private companies or to the public

in accordance with the contracts you make. Is that not so?

Mr. WESSENAUER. Yes, sir.

Lillenthal agreed that he was here lobbying against the dams as shown by the following testimony:

Senator McKellar. But it does seem to me that after I fought here, when you were fighting against any other dam in this Tennessee Valley except three, wanting to use it as a yardstick, and when you were lobbying here against these dams, I think your attitude and your going over the State making speeches reflecting upon me, is contemptible, Mr. Lillenthal.

Mr. LILIENTHAL. Senator, you know I have not made any speeches attacking you. I have differed with you in respect to a piece of legislation. I continue to differ. I think it is an unsound piece of legislation. I tried to explain it to the people of the Valley, but what I have said concerning you has been respectful.

I would like to remind the Senator that immediately I had the first information from him that he disagreed very violently with us in respect to our stand, I wrote him a personal note in which I acknowledged his great contribution to the Tennessee Valley.

Now, Mr. President, he says he wrote me a letter acknowledging my great contribution to the Tennessee Valley Authority. That is a miserable, deliberate, premeditated, scheming, double-dealing falsehood. I do not recall the letter. He may have written such a letter. The only kind of letter Lillenthal can write is a double-dealing, scheming letter full of trickery. He may have attempted to write such a letter, but such a letter meant nothing to me. He talks about my having contributed to the Tennessee Valley Authority, when, as a matter of fact, I succeeded in getting these dams against his vigorous opposition, his visiting the members of the Appropriations Committee of the Senate and trying to prevent the building of these dams, against his falsehoods, against his dishonesty and corrupt methods at that time. Yet he condescendingly talks about my having "contributed" to the Tennessee Valley Authority. He is dishonest, corrupt, self-effacing, when he thinks it is to his advantage to be so; vigorous and determined when he thinks he has an advantage; a sneaking, lying, miserable, impudent squirt of a man. He has put some good men around him who are running this plant, but Lillenthal is just as capable of running a great enterprise of this kind as "Lefty Louie" was capable of running a church of God.

Again, his gift to the people of Dandridge, Tenn., for planning assistance, was approximately \$1,300, and his gift to the people of Guntersville, Ala., for the same purpose was \$20,000.

Again, for a long time there was a feud between him and the General Accounting Office about the examination of his books. He objected very seriously to it, as I was informed. He has spent for examining his books, as I recall, the sum of \$190,000, all told, and he wants \$30,000 to have some agency subscribe to his accounts for the next year. This was denied. He says, on page 300, that he is for the General Accounting Office 100 percent, but he wants his books examined by private auditors.

Mr. President, in 1932 President Roosevelt was first elected to the Presidency and in January of that year he invited the senior Senator from Alabama [Mr. BANKHEAD], former Senator Black, Senator Bachman, and me, Representatives Almon and Hill, and former Senator Norris to go down to Muscle Shoals and look at the Wilson Dam. It seems that President Roosevelt when he was Governor of New York had recommended, and the legislature had passed, one or more acts creating what he called authorities, and if I recall rightly on his way down there he suggested that a bill be passed by the Congress to create the Tennessee Valley Authority patterned after one of his New York statutes. My recollection is also that he had the bill prepared afterward. Naturally I supposed that either Senator Bachman or I or Senator Black or the Senator from Alabama [Mr. BANKHEAD] would be invited to introduce the bill, but after the President took office to my great surprise he selected Senator Norris, of Nebraska, to introduce the bill which it was understood he had had prepared.

I secured, my recollection is with the help of Senator Bachman and Senator Black and perhaps the Senator from Alabama, an amendment which is found as section 13 of the Tennessee Valley Authority Act. Section 13 is as follows:

SEC. 13. Five percent of the gross proceeds received by the board for the sale of power generated at dam No. 2, or from any other hydro-power plant hereafter constructed in the State of Alabama, shall be paid to the State of Alabama; and 5 percent of the gross proceeds from the sale of power generated at Cove Creek Dam, hereinafter provided for, or any other dam located in the State of Tennessee, shall be paid to the State of Tennessee. Upon the completion of said Cove Creek Dam the board shall ascertain how much additional power is thereby generated at dam No. 2 and at any other dam hereafter constructed by the Government of the United States on the Tennessee River, in the State of Alabama or in the State of Tennessee, and from the gross proceeds of the sale of such additional power 2½ percent shall be paid to the State of Alabama and 2½ percent to the State of Tennessee. These percentages shall apply to any other dam that may hereafter be constructed and controlled and operated by the board on the Tennessee River or any of its tributaries, the main purpose of which is to control floodwaters and where the development of electric power is incidental to the operation of such flood-control dam. In ascertaining the gross proceeds from the sale of such power upon which a percentage is paid to the States of Alabama and Tennessee, the board shall not take into consideration the proceeds of any power sold or delivered to the Government of the United States, or any department or agency of the Government of the United States, used in the operation of any locks on the Tennessee River or for any experimental purpose, or for the manufacture of fertilizer or any of the ingredients thereof, or for any other governmental purpose: *Provided*, That the percentages to be paid to the States of Alabama and Tennessee, as provided in this section, shall be subject to revision and change by the board, and any new percentages established by the board, when approved by the President, shall remain in effect until and unless again changed by the board with the approval of the President. No change of said percentages shall be made more often than once in 5 years, and no change shall be made without

giving to the States of Alabama and Tennessee an opportunity to be heard.

It will be seen from this act that 5 percent of the gross proceeds received by the Board from the sale of power generated at dam No. 2 or from any other hydropower plants thereafter constructed in the State of Alabama shall be paid to the State of Alabama.

Two other dams have been built in Alabama—the Wheeler and Guntersville Dams—and Alabama receives 5 percent of the gross proceeds from those dams.

In like manner, Tennessee was to receive 5 percent of the gross proceeds of the sale of power generated at Cove Creek Dam or any other dam located in Tennessee. Now there are a number of dams that have been built in Tennessee. The Pickwick, Chickamauga, Watts Barr, Fort Loudon, Cherokee, and Douglas Dams have already been built, and as to what will be done about the Gilbertsville Dam is yet to be determined.

There was a further provision about the addition of power at dams located lower down on the river and the 5 percent figure should be equally divided between Alabama and Tennessee on such additional power. I am advised that the State of Tennessee for the last 3 years has received certain sums under section 13 of that act.

These payments are made in lieu of taxes and were put there at my very earnest insistence. We had been discussing this feature of the case for years.

Of course, Mr. President, the greatest credit is due Franklin Roosevelt, President of the United States, for the development of the Tennessee Valley. He appointed the three members of the Authority with Dr. A. E. Morgan as chairman, and under Dr. Morgan the Norris and Wheeler Dams were built—one in Tennessee and one in Alabama.

Dr. A. E. Morgan was a professor at Antioch College in Ohio. Dr. H. A. Morgan was president of the University of Tennessee; and Mr. Lillenthal was a young lawyer in partnership with Donald Richberg.

There was no trouble about the passage of the bill; there was no trouble about the appointment and confirmation of the three members of the Authority. All of this went along as a matter of course.

I wish to refer to one further matter, and then I shall be through.

Mr. Lillenthal is not an engineer. He is a lawyer. That is, he was educated as a lawyer. I do not think he has ever practiced law. I have no doubt that there are some fine engineers under him. I do not know any of them, except as they have appeared before the committee. I have never been in the confidence of Mr. Lillenthal. He has never come to my office. I do not know whether he goes to the office of the Senator from Alabama, but he never comes to mine. Judging from his newspaper statements, he does not think much of Senators and Representatives anyway. He thinks that this money ought to be left at the "grass-roots."

Yesterday the question was raised as to Mr. Lillenthal going into politics in Tennessee. Everyone in Tennessee



knows that he is up to his neck in politics. For years he has been urging, not only that I be not returned to the Senate, but that my colleague [Mr. STEWART] be not returned to the Senate. My colleague so stated yesterday. I know that Mr. Lillenthal fought him in east Tennessee.

I do not know whether Mr. Lillenthal is a voter in my State. I doubt if he is. I presume he votes in some other State. I do not know that he has ever voted in my State. However that may be, he has taken a very active part in politics in Tennessee. Remember, this is a man who never says anything directly. His closest associates say that he never speaks directly. He never acts directly. He acts indirectly. He is eely and oily in his actions. Let me read what he said. I read from a newspaper article:

Lillenthal warns against political invasion of T. V. A.

Ordinarily that might be good. Aside from the gentlemen who appear before our committee once a year, I do not believe I know anyone in the T. V. A. I have never tried to meet anyone connected with the T. V. A. I do not know anything about them. I presume most of them vote for me. If we do not know Lillenthal well enough, they certainly know him well enough not to follow his lead in the matter of voting. Lillenthal tried in every possible way to defeat me in 1940, but he could not get up any steam, and had to give it up.

While he was making speeches, this is what he said. I am sorry the junior Senator from Alabama [Mr. HILL] is not present. He ought to hear this:

Mr. Lillenthal concluded by urging citizens to find out how candidates for political office stand on the issue of continued businesslike management of public power agencies.

The war is absorbing every last bit of your attention and energy. At times like these the average citizen is preoccupied and is therefore less likely to pay attention to things that are going on in his community.

But the future of public ownership here in the Valley depends upon a continuation of business principles in all the hundreds of communities receiving and distributing T. V. A. power.

Your eternal vigilance is the price of low-cost electricity.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. McCLELLAN. Is what the Senator has been reading a quotation from a speech?

Mr. McKELLAR. It is from a speech made 2 years ago when Mr. Lillenthal was canvassing the State against the junior Senator from Tennessee [Mr. STEWART].

Mr. McCLELLAN. Was the speech made at a time when a campaign was under way?

Mr. McKELLAR. The campaign was in full blast. It was a campaign which was close, and in which Mr. Lillenthal made it so hot for the Senator from Tennessee that the Senator denounced Mr. Lillenthal in Chattanooga, charged him with being actively against him, and making speeches against him, and dared

him to deny it. However, Mr. Lillenthal never denied anything.

Mr. McCLELLAN. Does the implication, which is carried in the quotation which the Senator has read, have reference to the issue now pending before the Senate with respect to continuing Lillenthal's business management?

Mr. McKELLAR. Oh, I think Lillenthal wanted to get rid of the two Senators from Tennessee, and he was undertaking to do that. I do not know whether the Hatch Act applied to it or not.

Mr. McCLELLAN. No; I am asking whether anything contained in the quotation read by the Senator has reference to the issue now before the Senate relative to continuing the business management as it has been.

Mr. McKELLAR. Oh, yes; exactly. There are several other statements which I shall put in the RECORD, all showing that Lillenthal was vigilant and active during the campaign. There is one article to which I shall call attention. It is from one of the newspapers, and states that Lillenthal was in the gallery 2 years ago when I made a speech on a similar bill in which I made similar charges. I never heard of any comment being made by him with reference to my charges. He never answered them. He never answers anybody. He just goes along and lets time answer charges of fraud and stealing which have been made by his colleagues. His colleagues have charged him with stealing, and they have charged him with attempting to combine and confederate with others to pay millions of dollars to a marble company which had some little interest in leases. The company bought leases on the underground rights of Norris Lake. Because of that, Lillenthal was denounced by his colleagues for wrong-doing. Now, why should we continue that man in control? We cannot help continuing him in office, but we certainly should pass a law which will hold him down to doing the right thing by paying his receipts into the Treasury of the United States. That is what this particular amendment asks for.

Mr. President, at this point I shall ask that the Senate vote on the amendment as soon as it can do so.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. VANDENBERG. In the Senator's opinion is the amendment divisible in any way?

Mr. McKELLAR. Oh, yes; it can be divided. I shall be very glad to have it divided.

Mr. VANDENBERG. I should like to have separated from it the question relating to employees receiving \$4,500 and more.

Mr. McKELLAR. I shall be very glad to divide the amendment in any way. I merely want the Senate to vote on it.

Mr. BANKHEAD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Willis
Downey	Overton	Wilson
Eastland	Radcliffe	
Ellender	Revercomb	

The PRESIDING OFFICER (Mr. McFARLAND in the chair). Sixty-seven Senators having answered to their names, a quorum is present.

#### IMPORTATION OF LIVESTOCK AND POULTRY FEED FREE OF DUTY

Mr. GEORGE. Mr. President, I ask unanimous consent that the pending business be temporarily laid aside and that the Senate proceed to the consideration of House bill 4410, and I desire to say a word by way of explanation.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 4410) to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with an amendment.

Mr. GEORGE. Mr. President, I have conferred with the majority and minority leaders of the Senate, and there is no objection on their part to the consideration of this bill. It simply extends for an additional period of 90 days public law approved December 22, 1943, which suspended the tariff duty on certain grains imported for poultry and cattle feed. The present law expires today, and it is highly important if the supply of poultry and cattle feed is to be maintained in the country that the time be extended. Therefore I have asked that the bill be considered at this time, without prejudice of course, to the pending unfinished business.

Mr. BUTLER. Mr. President, I shall make no controversy about this bill, of course, but I should like to ask the Senator from Georgia if the bill would include grain screenings as well as grains?

Mr. GEORGE. I myself would have no doubt, because the language of the bill, which is the same as that of the present law, reads:

Wheat, oats, barley, rye, flax, cottonseed, corn, or hay, or products in chief value of one or more of the foregoing or derivatives thereof, any of the foregoing if to be used as, or as a constituent part of, feed for livestock and poultry.

Flaxseed is included, and I should think there would be no doubt about grain screenings, because I do not understand that grain screenings constitute a separate dutiable item under the Tariff Act.

Mr. AIKEN. Mr. President, I inquire if the Senator from Georgia has considered whether the bill includes also oat scalplings, which are broken pieces of the kernel of oats?

Mr. GEORGE. I should think so, because I do not think that either screenings or scalplings are separate dutiable items, and I think they are covered by the language which reads:

or products in chief value of one or more of the foregoing or derivatives thereof, any of the foregoing if to be used as, or as a constituent part of, feed for livestock or poultry.

Mr. BUTLER. Mr. President, the statement made by the Senator from Georgia I think is the only interpretation that those who handle the items at the import points could make; but I was anxious that the statement be made by the chairman of the committee on the floor. I thank the Senator from Georgia.

The PRESIDING OFFICER. The amendment reported by the Committee on Finance will be stated.

The CHIEF CLERK. On page 2, after line 15, it is proposed to insert the following:

(3) Oats to be used for purposes of human consumption, if entry or withdrawal is after the date this paragraph takes effect.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. GEORGE. Mr. President, I request that the action taken by the Senate on House bill 4410 be immediately messaged to the House, so that the House may concur in the single amendment made to the bill by the Senate.

The PRESIDING OFFICER. The order requested by the Senator from Georgia will be made.

#### EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. VANDENBERG. Mr. President, I ask for a division of the pending question and a separate vote on the language of the amendment starting in line 9, page 55, and ending with the word "Senate" in line 13. In other words, it is the clause identified as No. 13.

The PRESIDING OFFICER. The Chair will suggest to the Senator from Michigan that the better way to handle the vote upon the committee amendment would be by a motion to strike out clause 13 rather than voting on it separately. There are so many subdivisions

that the Chair thinks that will be the better procedure.

Mr. VANDENBERG. I realize that the same result would be accomplished, but at the same time I assume that it is correct parliamentary procedure to ask for a division of the question. Is it not?

The PRESIDING OFFICER. The difficulty is that they are all governed by the sentence with which the proviso on page 53, line 13 begins.

Mr. VANDENBERG. Very well. Is a motion to strike out the amendment in order at the present time?

The PRESIDING OFFICER. No; for the reason that the Senate has not reached that committee amendment. There are a number of other amendments ahead of it.

Mr. MCKELLAR. Mr. President, I wish to say that I am perfectly willing, and I am sure that no other Senator will have any objection, to having a separate vote on that amendment or any other subdivision or amendment of the bill.

Mr. BANKHEAD. Mr. President, I hope to be able to present the statements I care to make on this subject in a very short time. Of course, the subject is a broad one, and if it had not been discussed it would require considerable time for presentation of the issues involved. We have had an able speech from my colleague, the junior Senator from Alabama [Mr. HILL], leaving very little to be said on our side of the case. We have had a very able speech from my friend and old college mate from across the line of my State, the senior Senator from Tennessee [Mr. MCKELLAR], in which he has presented in a masterly way the reasons which actuate him in his position on this subject.

I would not for anything say anything personally objectionable to my friend from Tennessee, for whom I have real affection, and if I say anything which encroaches upon that sentiment, I hope he will call my attention to it, because nothing I say will be intended as offensive.

I think it might be well in the beginning to have a little better understanding of what is involved in this controversy. I have found Senators who look on it solely as a personal issue of the Senator from Tennessee. They seem to think that if his amendments shall be agreed to the result will be favorable to the Senator from Tennessee, and unfavorable to Mr. Lillenthal, and I feel sure we will find, as we did 2 years ago, a number of Senators casting their votes upon this important issue because of their friendship for the senior Senator from Tennessee.

If every Member of the Senate thought that was the issue, I am sure the amendments of the Senator from Tennessee would receive practically a unanimous vote; but, of course, there is a fundamental difference in viewpoint about what is involved. Unfortunately, many Senators have not been present during the discussion. They merely know it is a fight by the Senator from Tennessee on this man Lillenthal. I assume that is the scope of the information of some

Senators, because I know a number who have not heard a word of the discussion.

Mr. President, what is the fundamental issue? It is whether we are going to change the law dealing with the operation of this growing and already gigantic plant which is under the control and administration of the Tennessee Valley Authority, and which is confessedly an experiment in the field of government. I shall not discuss who sponsored it. I know that the Senator from Tennessee has been devoted to it, and as a member of the Committee on Appropriations for years, and as a Member of the Senate, and as a participant in the passage of the T. V. A. bill, which came from a committee of which I am a member, the Committee on Appropriations, I have been in full accord with the Senator from Tennessee and have in large measure recognized his leadership. But we reached the dividing point upon this issue 2 years ago, when, for some reason—I do not know what it was and I do not care—the Senator from Tennessee decided that the management of the T. V. A. should be changed. Those who have heard his argument recognize that it has been addressed almost exclusively to the question of whether we can trust Mr. Lillenthal.

It is rather significant that from the beginning of this great organization, which has been growing in strength and power and income by leaps and bounds, there have been no real, supported charges or complaints against the integrity or against the good management of the vast affairs of this corporation. It has grown every day in the confidence and respect of the people of the great Tennessee Valley, from one end of it to the other, so far as I have ever heard. The Tennessee River extends across the entire width of the State of Alabama, from Georgia to Mississippi, and on into Tennessee, and the people of Alabama are as one man, so far as I have been able to ascertain, opposed to the amendments offered here by the Senator from Tennessee.

I shall not undertake to speak for the people of Georgia, or Tennessee, or Kentucky, or those of Mississippi, but I feel sure that no Member of the Senate has received any protests or complaints from anyone along the entire Tennessee River against the philosophy, against the method of administration, against the great program as carried on by the men who are now in charge of it.

In the case of this organization, whose activities extend into nearly 100 cities, including nearly every city in the State of Tennessee, furnishing them with the power they use, and extending into all the cities and towns in north Alabama, into parts of Georgia, and on into Mississippi, and soon to extend into the State of Kentucky, with such widespread diversification of operation, I submit it is remarkable that there has been no complaint against the management, no complaint against the Authority, or the Board of T. V. A., and no request to change the power and authority and basic law of the T. V. A. Do Senators think a private corporation, with such



widespread operations as those of the T. V. A., could ever get along without numerous complaints and criticism and applications for change? It is especially remarkable that a political corporation should not be the subject of all kinds of criticism during these days of general political criticism. But we do not find that there is such criticism. The people in the areas affected are holding mass meetings, they are sending letters and telegrams, and the newspapers all the way down to Birmingham are in accord in the movement to defeat the McKellar amendments on the ground that they think the amendments would hamstring the T. V. A. in its efficient management of the affairs of this great corporation and organization.

Mr. President, I submit that the Members of the Senate in making up their minds on this matter, should take into careful consideration that public attitude of friendship and support, and that it should supersede the criticism of my friend, the Senator from Tennessee, however fine and great a man he is—and he is fine and great. This expression of public opinion and sentiment on the part of the people in that section of the country which is concerned in this issue should have very great weight with the Members of the Senate.

The question has been asked, What reason is there to change the law that controls the administration of the T. V. A.? I have heard no reason advanced, except objection to Mr. Lillenthal. The T. V. A. legislation was worked out carefully. It has stood the test. It went through Congress at a time when the creation of the proposed organization meant entering into a new field of governmental activity. The legislation was deliberately passed to try this great experiment, and, so far as the people it has served are concerned, it has been a great success. I now ask the question, Why change the legislation with respect to the organization, and why change it in the manner here proposed? The amendments would totally change the fundamental law adopted by the Congress, although with appropriations being made from time to time under the law there has been no effort until recently to make any change in it.

Measures have come before the Senate and the House of Representatives in which increased appropriations were asked for the building of additional dams and transmission lines and generating machinery, but not until this controversy between my friend, the Senator from Tennessee, and Mr. Lillenthal came to the surface 2 years ago has there been any serious complaint, and until 1 or 2 years ago there has been in all these appropriations no effort made to change the basic law for the government and control of the T. V. A.

The Government has more than \$750,000,000 invested in that great plant. It is a proper investment. It is making money every year. It will make more and more as new dams are added. Some have just been finished and others are under construction. It will make more and more money as they come into use and opera-

tion. Is it the part of wisdom, however much we may think of a Member of the Senate, on an appropriation bill to change the method of operating and administering this great plant which has proved so successful?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BANKHEAD. Certainly I yield.

Mr. McKELLAR. The Senator will recall that the House changed the law in this very appropriation bill, and it is because the House changed the law on this particular appropriation bill that the Senate has a right to vote to change it a little more.

Mr. BANKHEAD. I am not questioning the right, though I doubt very much the right to inject all this machinery into the appropriation bill simply because the House made a change.

Mr. McKELLAR. Does the Senator think the House has a superior right with respect to making a change in an appropriation bill?

Mr. BANKHEAD. It depends upon the nature of the case. But I said I raised no point against that, though I doubt it very seriously. I take the word, as I would take it at any time, of my good friend that he has consulted the Parliamentarian and has been advised that a point of order would not lie against it. So I am not discussing the technical question. I am talking about the wisdom of the proposal, assuming that there was no sort of question about whether it could properly be added to the bill. But here is a great change proposed to be made in a plan which has worked to the satisfaction of nearly everyone. I admit that the attitude of Mr. Lillenthal has not been satisfactory to my friend, the Senator from Tennessee, but evidently it has been satisfactory to the great mass of the people who are chiefly concerned. But now it is proposed to bring about a change, and how is it proposed to do it? Not by sending to a committee a bill changing the law, having hearings on it, giving due consideration to a measure dealing with this vast sum advanced by the taxpayers of the United States to carry out a program which is of paramount interest and importance to that great area of country from Virginia on through Kentucky and reaching into Indiana and Illinois.

No hearings of any consequence were held upon this program. Mr. Lillenthal was brought before the committee and asked about what money he put into the Treasury of the United States. The Senator from Tennessee [Mr. McKELLAR] believed that he had found him to be misrepresenting with respect to it. I do not think he did. I will show the Senate in a moment the difference between the two points of view. But we had no hearings on the matter. We had no complaint about the management, unless my friend the Senator from Tennessee made some complaint in his own way in his argument relating to the character of Mr. Lillenthal. We had no complaint about the law. No contention

was made that it ought to be changed except as it would limit the power of Mr. Lillenthal while he is at the head of the corporation. Mr. Lillenthal will not be there always. His term of office expires, I think, next year; does it not, I ask the Senator from Tennessee? When does Mr. Lillenthal's term of office expire?

Mr. McKELLAR. In May of next year.

Mr. BANKHEAD. In just about a year. That leads to two thoughts. In the first place, is the way now being proposed the proper way to put a crimp in the activities of Mr. Lillenthal? Is it necessary to change the entire procedure with respect to the corporation and the law on this subject as it has been on the books since the T. V. A. legislation was originally passed? Is that the way to do it? There are two other ways. One is when Mr. Lillenthal's appointment comes before the Senate, if it does, to act upon the matter of confirmation, which will be before the Senate within the next year at about the time the next appropriation bill comes up. The other is, of course, to institute impeachment charges against Mr. Lillenthal. But no statement has been made here which, according to my understanding of the law on that subject, would justify impeachment charges. They are the two legal remedies, one of which is available immediately, and the other one a year from now. But my friend is a little impatient to get at Mr. Lillenthal.

I know he does not want to injure the T. V. A. No man on earth could make me believe that. His heart is in that organization. He has probably done more to advance its cause by the construction of dams and the enlargement of its power than has any other Member of the Senate. I know that to be so. He would not injure the T. V. A. But in my humble judgment he will injure it if the basic law is changed for a temporary purpose, and to get rid of a certain individual. I do not see how it will even have that effect. Will it get rid of Lillenthal? How is the proposed change going to accomplish that purpose? Will limiting the power of the T. V. A. tend to eliminate Lillenthal from control of its operation? Not at all, unless he should resign because he could not operate it successfully and efficiently. But the more likely and normal effect will be to punish the T. V. A., not Lillenthal. These amendments are not directed at Lillenthal in their effect. They are directed at the T. V. A. So, Mr. President, I submit that from that standpoint the amendments ought not be adopted.

Let us see what the basic law is. I am sure many Members of the Senate do not understand it. Let me call attention to section 26 of the T. V. A. Act, under which this great program has been so successfully administered. I will read it:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation and from

any other activities of the Corporation, including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year—

The T. V. A. keeps the money throughout the year, until the end of the calendar year—

save and except such part—

They are not even required to pay it all in—

of the proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1,000,000 is also excepted from the requirements of this section—

That much, in addition to all the receipts—

and may be held by the Board to defer emergency expenses and to insure continuous operation.

There is another proviso, but I think it has no application to what I have been reading.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BANKHEAD. Yes; I am glad to yield.

Mr. BURTON. Under that provision as to the disposal of the funds, would the Senator say the fund is or is not a revolving fund?

Mr. BANKHEAD. It is not a continuing revolving fund. The revolving fund is there, and we call it a revolving fund or a reserve. They have the right to use, as the statute provides, all their receipts from operations and income from other sources until the end of the year.

Mr. BURTON. Therefore during the year they would have an opportunity to act just as any business corporation would act; but when the end of the year arrives, at which time the ordinary business corporation either declares a dividend or does not declare a dividend, the Congress comes in and determines whether they should have the money for the next year; is that correct?

Mr. BANKHEAD. That is exactly correct.

Mr. President, my friend the Senator from Tennessee [Mr. McKellar] says the T. V. A. has never turned any money into the Treasury. He puts a technical construction on the situation. But what he has said is not the situation in substance, in fact, or in law. They have complied with this section of the basic law all the time. At the end of the fiscal year they have accounted for the net income, after having spent out of the receipts, as they came along, for the administration and for any other purpose for which Congress authorized them to spend the money. Otherwise the funds have been in the Treasury of the United States all the time. I doubt whether Mr. Lillenthal ever personally handled a dime of the income. That is handled in accordance with the mechanical procedure and administrative regulations, through their treasury and their subordinate accountants and officials. But Congress

has heretofore disposed, before the end of the year arrives, of the accumulated receipts—the profits which otherwise would have gone into the general fund of the Treasury.

I submit to the Members of the Senate that the only reason why the money has not gone into the general fund which is lying in the Treasury for that purpose—I ask Senators to observe this point—is the fact that the Congress directed that it go elsewhere. When the Congress passes the appropriation bill covering the T. V. A. about this time each year, the Congress appropriates for certain purposes and uses the money which is in the T. V. A. fund. We all know that the T. V. A. was engaged in an extended program of construction. If, under the congressional appropriations and under the basic law authorizing such expenditures, the T. V. A. needed \$10,000,000 in addition, it used the \$10,000,000 or whatever amount it had in the special fund. The Congress appropriated it. That reduced the amount of the appropriation coming out of the Treasury; the amount of the appropriation coming out of the Treasury was thus reduced to the extent of the money in the special fund.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BANKHEAD. I yield.

Mr. LA FOLLETTE. It is similar to having a corporation plow back its earnings into improvements and betterments, is it not?

Mr. BANKHEAD. That is exactly correct. It is handled just as any corporation would handle its own affairs.

That plan was worked out, not by Mr. Lillenthal, but by Congress. Under the law, the T. V. A. was authorized to hold every dollar of receipts until the end of the year. But rather than put them into banks and handle them in some risky way, the procedure which is now being followed was worked out and written into the law. That procedure has been approved by the House, and has been included in the appropriation bills passed in previous years. Who worked it out, Mr. President? Who worked out the system now used? It was worked out by Mr. Lindsay Warren, the Comptroller General of the United States, and by Mr. Lillenthal, with the approval of the chairman of the House Committee on Appropriations.

The plan was to keep the money in the Treasury. Up to that time it could have been kept elsewhere. The plan was to keep the money in the Treasury until the Congress decided whether it wished to appropriate additional sums of money for these purposes. If it did, there was the net balance available in this fund. That is what Congress has done from year to year. That was done with the approval of disinterested and high officials of the Government. I refer to the Comptroller General, the Director of the Budget, and the chairman of the House committee.

There is no complaint that that plan has not been carried out in letter as well as in spirit. I submit that it is a dangerous thing, without consideration, to adopt a new plan, necessarily against the judg-

ment of these great officials of our Government, although there is no evidence on that score. The plan which is now being followed is the plan which they recommended and agreed to for the operation of the T. V. A. Certainly, if any change is to be made in the plan, it ought to be done in the regular way, after full consideration.

I wish to invite attention to a statement made by a recently departed great friend of every Member of this body, when the same subject was under consideration 2 years ago. A similar bill, which did not go as far as the pending bill, but almost as far, was introduced and sponsored by the Senator from Tennessee [Mr. McKellar]. He secured the passage of that bill because of his great ability and his well-deserved popularity with Members of the Senate, and the confidence they have in him. The Senate did not have time to go into the details of the bill. Look at the attendance in the Senate at this moment. Do Senators think that the Senate is now capable of passing upon a great question such as this, with less than a dozen Senators present? We are about to decide one of the most important problems involved in our national economy, and to place under criticism one of the great experimental programs, which has gone far beyond the experimental stage, and is on the right side from the standpoint of the people. Would that be right? Would it be good judgment to abandon what was done after due consideration and deliberation?

Let me read what our friend Senator McNary said in discussing a similar bill 2 years ago. As we all know, Senator McNary was a member of the Senate Committee on Agriculture and Forestry, which has jurisdiction of this subject, and at one time was chairman of the committee. The original bill was thoroughly discussed and fully considered before that committee. Senator McNary was one of its active supporters. Two years ago the question of a change arose, in connection with an appropriation bill. I think it is fair to have the benefit of his judgment upon a similar program in recent times. Listen to what Senator McNary, the late leader of the Republican Party in the Senate, said. We all admired him, regardless of the dividing line in the Senate. While that bill was under consideration in the Senate, Senator McNary said:

Mr. President, I appreciate the generous attitude of the Senator from Kentucky, and I shall confine my remarks to narrow limits. I shall limit what I say particularly to the procedural aspects of the case. I shall not enter into a discussion of the substance of the question involved, because that has been gone into by other Senators who are probably more familiar with the subject than am I.

That was his usual modest way of speaking.

Mr. President, I have known the project under discussion from its infancy. I refer now not to the T. V. A. but to the parent project, which was the Muscle Shoals undertaking, a matter before the Senate a great many years ago. If I can trust my memory it was in 1916 that the National Defense Act was passed, which contained a provision



for the construction of the dam at Muscle Shoals, afterward named Wilson Dam. In that act there was a provision that the dam should be used for the making of propellants in time of war and fertilizer in time of peace. I became a member of the Committee on Agriculture and Forestry when I came to the Senate, and that committee has had jurisdiction over the subject matter since that time. For a number of years I was chairman of the committee, and various bills affecting the Muscle Shoals project, and later bills affecting what is now known as the Tennessee Valley Authority, came before the Senate.

I recall most graphically that when I was chairman of the committee much of the legislation revolved about processes for the fixation of atmospheric nitrogen. We studied the arc process, the cyanimid process, the Haber process, and finally the synthetic process. That is all a matter of history, but it all ripened into the present organization known as the T. V. A.

As a member of the Committee on Agriculture and Forestry, and as its chairman at one time, I served on conferences, and always exercised my interest in behalf of this project. I hope I have been helpful in the development of that great undertaking.

I think we generally accord the able senior Senator from Nebraska, Mr. Norris, the distinction of being the father of the T. V. A., and from the able speech made by the distinguished Senator from Tennessee [Mr. McKellar], it appears he was the father of the Muscle Shoals project, and, as the latter begat the former project, this would seem to make him a kind of foster grandfather of the T. V. A. I think I might be called a remote cousin by a line of consanguinity, because my affiliations with this project, and the legislation affecting it, have been very much in my life. I am glad, however, to know the genealogy of this whole undertaking as manifested by the speeches of these two able Senators.

I concede that there is much to contemplate and that serious study should be given to the proposal made by the Senator from Tennessee. I do not like the procedure under which this matter comes before the Senate in the pending bill. For years I have tried to conform to the Senate rules, and as ex officio member of the Appropriations Committee, as a member of the Committee on Agriculture and Forestry, and the Committee on Commerce I have repeatedly opposed proposals of legislation on appropriation bills. The function of an appropriation bill is to appropriate money, and the members of the Committee on Appropriations become familiar with the various projects which come before that committee. In connection with matters of independent legislation, or legislative bills in general, we have committees having jurisdiction of the various subject matters, who have the duty and the right and the jurisdiction to handle legislative matters. This indicates the objection I am now interposing to the matter before us as it is presented today, and my vote will be against the action of the Committee on Appropriations.

I have in mind rule XVI of the Senate Rules, subdivision 4, with which all Senators are conversant, I am sure. It provides:

"No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received."

I think the amendment now before the Senate violates two of those provisions. I am sure it is legislation on an appropriation bill. It is no defense to say that it is legislation coming from the House of Representatives on the pending appropriation bill.

I shall not read any more of Senator McNary's statement. I wished to de-

velop the judgment of that great man upon the danger of legislating in this way, in an appropriation bill, on a great and important issue.

There are a great many things, Mr. President, which I should like to say, but I shall not take any more time of the Senate. I know that Senators are tired of the discussion, and there are yet other Senators who wish to speak.

In my judgment, we are asked to set a bad precedent. It would be a bad thing to do at this time what is proposed. As I conceive it, if Mr. Lillenthal deserves punishment, he should not be punished by the Congress in the manner suggested. Mr. BARKLEY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield, so that I may make the point of no quorum?

Mr. BARKLEY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Willis
Downey	Overton	Wilson
Eastland	Radcliffe	
Ellender	Revercomb	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

#### PROMOTION OF SUSTAINED-YIELD FOREST MANAGEMENT

The PRESIDING OFFICER (Mr. McFarland in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, which were on page 3, line 14, after "conditions" to insert "but not the price"; on page 5, line 21, after "given" to insert "by registered mail to each landowner whose land is proposed to be included and"; on page 6, line 16, after "publication" to insert "once weekly for four consecutive weeks"; on page 7, line 14, to strike out "without further hearing thereon"; on page 8, line 24, to strike out "the timber and other forest products on"; on page 9, line 1, to strike out "sold" and insert "included"; and on page 9, to strike out lines 17, 18, and 19 and insert:

Sec. 10. Funds available for the protection or management of federally owned or administered forest land within the unit concerned may also be expended in carrying out the purposes of this act, and there are hereby authorized to be appropriated such additional sums for the purposes of this act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior, for any fiscal year.

Mr. HOLMAN. Mr. President, I am authorized by the Senator from South Carolina [Mr. SMITH], chairman of the Senate Committee on Agriculture and Forestry, to move the acceptance of the amendments, which are agreeable to the proponents of the bill. I therefore move that the Senate concur in the amendments of the House.

The motion was agreed to.

#### EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. BARKLEY. Mr. President, I hesitate to take the time of the Senate on the amendments reported by the committee and sponsored by the Senator from Tennessee. I would not do so were it not for the fact that I have a profound conviction that it would be a serious mistake to adopt them.

The history of the Tennessee Valley Authority is very interesting. It had many vicissitudes on the way. It has not been a one-way street, and there is no Member of Congress, either now or heretofore, who is or was wholly responsible for the enactment of the law creating the Tennessee Valley Authority. I happened to have been a Member of the House of Representatives in 1916 during the First World War during the administration of Mr. Woodrow Wilson, referred to by the Senator from Tennessee today. I supported the legislation creating the dam and power plant at Muscle Shoals for the manufacture of nitrates out of which explosives were to be made for war purposes and fertilizer for agricultural purposes.

Following the war the enterprise lay dormant for a number of years. The most active and insistent protagonist of the development of Muscle Shoals, particularly, was the late Representative Almon, of Alabama, in whose district Muscle Shoals was located. From that time until now I have been as active as I knew how to be in developing the Tennessee Valley, which I long ago believed offered one of the great opportunities for the development of a natural resource in a section of the country where it would be propitious to undertake such development, either for the benefit of those who might come within its radius, or as an example of what might be done to other great natural resources in the United States.

I was not and have never been a member of the Committee on Appropriations, nor of the Committee on Agriculture, so

that I was not in position originally to vote in the committee for the creation of the Tennessee Valley Authority. But we all know that legislation was primarily sponsored by the former Senator from Nebraska, Mr. Norris. It came out of the Committee on Agriculture, and one of its great friends in the committee and on the floor was the late Senator from Oregon, Mr. McNary.

The Senator from Tennessee, in the House of Representatives, as a member of the Committee on Military Affairs, and in the Senate, as a member of the Committee on Appropriations, has had the opportunity to render and has been in a position where he could render invaluable service, and he has rendered invaluable service in the creation of the Tennessee Valley Authority and in its completion. He had much help in critical moments here in the Senate. I was one of those who were glad to join with him, with whatever influence and ability and activity I might have, to bring about the development of the Tennessee Valley, and it was developed to a very large degree in Alabama and in Tennessee, and even on some of the stretches of the tributaries of the Tennessee into western North Carolina before it became definitely known that there would ever be built a dam in the State of Kentucky under the Tennessee Valley Authority. When it shall have been completed there will be but one dam in the State of Kentucky; that is the one at Gilbertsville, now known as the Kentucky Dam. The Senator from Tennessee cooperated with me very effectively, and I may say indispensably, in the establishment of the Gilbertsville Dam, but I have likewise cooperated with him to the best of my ability in the establishment of all the dams in Tennessee and Alabama before the Kentucky Dam was ever reached for development.

I regret, Mr. President, that there should have been injected into this fundamental proposition, as I see it, any disagreement on account of personalities as between the Senator from Tennessee and any member of the board of directors of the Tennessee Valley Authority. I know Mr. Lillenthal only slightly. I have never seen him or talked with him about politics. I do not know how he votes or whether he votes or where he votes. My contacts with him have been very infrequent. While Dr. A. E. Morgan was chairman of the board I had many contacts with him, as did the Senator from Tennessee, and sometimes the two of us together contacted him, very frequently unsatisfactorily, I may say.

It is not necessary to go into the disagreements between Dr. Arthur E. Morgan, the first chairman of the Tennessee Valley Authority, and Mr. Lillenthal, or between Dr. Morgan and the Senator from Tennessee—and there were differences—or between Dr. Morgan and me, for there were very acute differences between Dr. Morgan, the first chairman of the Tennessee Valley board, and me, and I know there were between him and the Senator from Tennessee, because I participated in some of those differences.

Finally such a situation developed that Dr. Morgan was not in harmony with the policy of the board. The thing dragged along for months, until finally it became necessary for the President of the United States to take action in order to clear the atmosphere. That was done by the elimination of Dr. Morgan as chairman of the board and as member of the board. What was said by Dr. Morgan about Mr. Lillenthal and what Mr. Lillenthal may have said or thought about Dr. Morgan grew out of the differences between them in the administration of the Tennessee Valley Authority. I do not think they are pertinent here in deciding this question.

I think it is also unfortunate that this legislation comes here as an amendment of a general appropriation bill. My own opinion is that it is not in order under rule XVI. I shall not argue that point now, but rule XVI referred to by the Senator from Alabama as having been discussed by the late Senator from Oregon, Mr. McNary, prohibits on appropriation bills amendments providing for general legislation. The Senator from Oregon pointed out that the mere fact that the House may include a legislative provision in an appropriation bill does not abrogate the rule of the Senate. This is a proposal of new legislation; it changes the operation of the Tennessee Valley Authority. It requires it to put into the general fund of the Treasury of the United States all the moneys it receives from all sources as they are received, day by day, or week by week, and it certainly changes the law as it now exists, either under the original Tennessee Valley Authority Act, or under the amendment of 1935, or under the appropriation bills, and particularly the current appropriation law, which did not change the law as to that particular. Under the appropriation bill as sent to us by the House there is no attempt to change the law as it was amended in 1935, and as the law was prescribed in the appropriation bill for the fiscal year 1944. But that is another matter.

Mr. President, the Tennessee Valley Authority is a great public utility. The fact that it is a corporation created by Congress does not take away from it its character as a utility. It is furnishing power to a vast number of people within the radius of its ability. It is furnishing power to war plants which are now manufacturing essential materials for the winning of the war. It has purchased and now owns the properties of other utilities existing in the same territory, including the Commonwealth & Southern Co., for whose property it paid, as I recall, in the neighborhood of seventy-eight million and some hundreds of thousands of dollars. So that it is a utility, it has all the characteristics of a utility, and as such it must adopt the methods of a utility in its operations. That means that from day to day, it may be every day in the year, every week in the year, and every month in the year, the Tennessee Valley utility is required to be ready at any call, on any occasion, to do things within its power in order to maintain its operations as any other utility would do. That

means it must send men out over its entire stretches to repair lines, or to build lines, or to do other things necessary in order to create the power which it is to distribute among its customers.

Mr. President, it has been given some flexibility, some leeway, under the law as first enacted and as amended in 1935, and in every appropriation bill that has been passed since then. It has been given the flexibility of being able, in the discretion of its board, to do the things necessary in order to create and distribute power, and at the end of the year, after deducting all its operating expenses from its entire revenues, it is required to turn the balance back into the Treasury of the United States. In 1935 Congress itself created the special Tennessee Valley Authority fund, so that even at the end of the year instead of turning the net balance back into the general fund of the Treasury, Congress itself authorized the creation and the earmarking of the Tennessee Valley Authority fund and its moneys have gone into that fund, and they have been operated in that fund from that time until now.

Mr. WILEY. Where is the fund kept?

Mr. BARKLEY. It is kept in the Treasury of the United States, just as the social-security fund is kept in the Treasury, earmarked for that purpose, the difference being, of course, that the law requires the Treasury Department to borrow the funds created by the social-security payments, but the Tennessee Valley funds are earmarked as a separate fund for the use of the Tennessee Valley Authority. That has been its practice and that has been its method of doing business.

In providing this flexibility, this leeway, Congress has not been negligent in protecting the public interest. The Tennessee Valley Authority is not only audited by a private auditing concern, the Tennessee Valley Authority is audited by the General Accounting Office of the United States Government, an agency set up as a representative of Congress to go over, item by item, all its receipts and all its expenditures, and every year the books of the Tennessee Valley Authority have been audited, and they are now being audited by the General Accounting Office. So that the General Accounting Office, a representative of Congress, with expert bookkeepers and accountants and auditors, determines by audit the amount of net balance that is left at the end of each year to be turned back into the fund created by Congress as the Tennessee Valley Authority fund.

There has never been any complaint that there has been any misappropriation of funds available for the Tennessee Valley Authority, there has never been any complaint that anyone stole any money from them. Some 3 or 4 years ago Congress authorized an investigation of the Tennessee Valley Authority, and former Senator Donahey of Ohio was appointed chairman of the joint committee. The committee spent months investigating the affairs of the Tennessee Valley Authority, and it made a comprehensive and exhaustive report



to the Congress of the United States, in which, to use the vernacular, the committee gave it a clean bill of health.

Mr. HILL. Mr. President, will my colleague yield?

Mr. BARKLEY. I yield.

Mr. HILL. The Tennessee Valley Authority is not only audited by the Comptroller General, but, as my distinguished colleague knows, the Tennessee Valley Authority goes before the Bureau of the Budget and submits its estimates, where an examination of all its receipts and expenditures is made, just as in the case of other agencies.

I hold in my hand the Budget estimates of the Tennessee Valley Authority for the fiscal year ending June 30, 1945, and I shall be glad to have any Senator examine the document containing these Budget estimates. It shows in what detail the Tennessee Valley Authority submits the picture of its estimates and its receipts and expenditures. After that the Tennessee Valley Authority goes before the House Committee on Appropriations, submitting all these estimates, and for any question or investigation the committee may care to make, and it also comes before the Senate Committee on Appropriations, just as any other agency of the Government must do each year.

Mr. BARKLEY. Mr. President, I appreciate the Senator in more detail calling my attention, and the attention of the Senate, to the practices with regard to auditing. The Tennessee Valley Authority is required to justify every dollar of its expenditures before the House Committee on Appropriations, and before the Senate Committee on Appropriations, just as the War and Navy Departments or the Maritime Commission, or any other agencies of the Government are required to justify their expenditures before appropriations are made.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. HILL. Under the basic law, the Tennessee Valley Authority makes an annual report to the Congress. That annual report contains a full story of all the activities of the Tennessee Valley Authority, the details of its operations, and all its financial dealings. I hold in my hand a copy of the report for the fiscal year 1943. The report contains altogether 323 pages. It goes into every detail of the operations of the Authority, every detail with respect to all moneys collected and all moneys paid out. It gives an account of all the operations and management of the Authority and its many different ramifications. It gives a financial account.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. And, I may say, including the following statement: "Returned \$13,148,000 of net income to the United States Treasury," which it never returned. But that is not the question I want to ask the Senator. The House bill contains a provision not only to appropriate all the money necessary for carry-

ing on all the business of the organization, but \$8,000,000 plus as a reserve fund for anything which may happen. The Senator said that this appropriation was like any other appropriation. I do not know of a single appropriation in which a reserve fund is provided for any department of government, not even for military affairs.

Mr. BARKLEY. Of course that does not change the law. The bill as it was sent to the Senate by the House carries the appropriation as authorized by the law enacted in 1933, and amended in 1935, and by legislation enacted since that time. They could divide and earmark the fund they appropriated as they might see fit so long as they complied with the statute; that would not be legislation, and that was the point I attempted to make.

Mr. HILL. Mr. President, will the Senator yield to me to make a statement with respect to the \$8,000,000 referred to?

Mr. BARKLEY. I yield.

Mr. HILL. There are two dams, one known as the Watauga Dam and the other known as the South Holston Dam, on which certain work has been done and certain expenditures made. The construction of these dams has been temporarily held up on account of shortage of critical materials, but the \$8,000,000 was put in the measure so that if the critical materials become available and the War Production Board thinks it advisable, the Authority can proceed with the construction of the two dams, and also with the construction of the phosphate plant at Mobile, Ala.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. Mr. Lillenthal testified before the committee that he did not know when anything would be done on the other projects, but that he wanted to get to the Mobile plant as soon as possible, and as the cost of the Mobile plant will be about as much as he has placed in the reserve fund it may be that the Mobile plant is to be built out of the reserve fund. He did not testify to that, however. He did mention the possibility of the two dams in east Tennessee, the Watauga and the South Holston. But as everyone must be aware who knows anything about the T. V. A., Mr. Lillenthal is wholly opposed to the building of those dams, and stopped the building of them through the instrumentality of one of his former agents, a man by the name of J. A. Krug, who is with the W. P. B., and who engineered the scheme of having the W. P. B. object to the building of the Watauga and the South Holston Dams.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. I wonder if Mr. Krug has all the power and influence with the War Production Board the distinguished Senator from Tennessee ascribes to him?

Mr. McKELLAR. Indeed he has. Not only has he as much as I ascribe to him, but more.

Mr. HILL. It seems to me that the provision for the \$8,000,000 for the con-

struction of the two dams on which money has previously been expended, and which, of course, must be completed, was brought about through the order of the War Production Board, headed by Mr. Donald Nelson.

Mr. BARKLEY. Of course, so far as the \$8,000,000 is concerned, if the facilities for which the sum is set aside are not built, the money will not be expended.

Mr. HILL. Of course not.

Mr. BARKLEY. So that does not change the character of the appropriation. It simply sets aside that fund for the completion of facilities which have already been begun, if it is found possible to complete them, as I understand.

Mr. McKELLAR. I beg the Senator's pardon, if he will allow me to interrupt. There is no limitation whatsoever on that fund. They can use it for any purpose they want to. They can buy farm lands with it, or they can buy more phosphate lands.

Mr. BARKLEY. If that is true I am surprised that the Senator from Tennessee has not placed some limitation on it, because he has done so with respect to everything else that the Tennessee Valley Authority does.

Mr. McKELLAR. I have done it with respect to all the matters that are necessary to keep the man honest.

Mr. BARKLEY. The Senator glibly says that he has put on restrictions necessary to keep the man honest. If the man is not honest, certainly some audit would reveal that fact, and if he is not honest there is a way to prove that he is not honest, and he can be punished for his dishonesty. The entire Tennessee Valley and the utilities dependent on the Authority, as well as plants engaged in war work, should not be hampered simply to punish Mr. Lillenthal for something imputed to him, but which has not been proved or charged in any formal way.

Mr. HILL. Mr. Lillenthal has been a director of the Authority for 11 years, and certainly no one that I know of has ever been able to submit any evidence that he was dishonest, and he has twice been confirmed by the Senate of the United States.

Mr. BARKLEY. The Senator from Tennessee quoted something that Dr. Arthur E. Morgan wrote about Lillenthal in the midst of his heated personal dispute with him—about his being slick and oily and devious, I believe, and evasive. My experience and the experience of the Senator from Tennessee with Dr. Arthur E. Morgan, I think, was of a character that at least would convince me that Dr. Morgan fitted the description he gave to Lillenthal better than Lillenthal fitted into it.

Mr. McKELLAR. Under those circumstances we have a very happy pair to do this great work, do we not?

Mr. BARKLEY. I do not know whether the Senator had anything to do with the appointment of either of them.

Mr. McKELLAR. No, sir; I did not.

Mr. BARKLEY. Not even the appointment of Dr. H. A. Morgan?

Mr. McKELLAR. No; I did not know of it until after it was made.

Mr. BONE. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. BONE. I desire to inquire of the Senator from Kentucky, first, what amendments we are discussing. I have gathered from the debate that we were discussing the amendments on pages 52, 53, 54, and 55 of the bill. They involve the propositions which were discussed by the Senator from Tennessee [Mr. McKellar]. They clearly appear to be legislation.

I wanted to suggest to the Senator from Kentucky that from the date the T. V. A. bill was introduced and passed in this body to the present moment I have upon occasions, as have other Senators, introduced legislation and attempted to attach it to appropriation bills, and without a single exception a point of order has been made and upheld. I am going to suggest to the Senator that I shall make a point of order against all these amendments.

Mr. BARKLEY. I may say in this connection that I have already expressed my view that the pending amendment is not in order under the rules of the Senate.

Mr. BONE. I have had the rules of the Senate invoked against me from time to time, and I am merely desirous of knowing whether we are going to throw the rules of the Senate into the wastebasket or enforce them.

Mr. BARKLEY. The Senator knows that the rules require the Appropriations Committee to make a point of order, or require the Senator in charge of the appropriation measure to make a point of order against an amendment offered from the floor which constitutes legislation on an appropriation bill. I do not know why the same rule should not be invoked against the action of the committee itself if it presents legislation on an appropriation bill.

Mr. McKellar. Mr. President, in answer to what the Senator from Kentucky has just said, I wish to say that before reporting these amendments I consulted the Parliamentarian of this body, and the Parliamentarian told me they were in order.

Mr. BARKLEY. I have consulted the Parliamentarian also about that matter, and I am not going to quote what the Parliamentarian had to say about it. The Parliamentarian, however, I will say, when I consulted him about it, was in doubt whether the amendment was in order, and indicated that the Chair might rule either way with the possibility that he was right. So it is up to the Chair after all to determine parliamentary questions. Of course, he seeks the advice of our very competent Parliamentarian, but after all the responsibility is on the Chair to rule on points of order.

Personally, I have no doubt whatever that this amendment changes the law. It provides a different method by which the T. V. A. shall turn its money into the Treasury. It provides that the T. V. A. must do so every time it receives \$5 in revenue, as and when collected; and the T. V. A. would be given no discretion whatsoever to use any of that money for ordinary running expenses or for work-

ing capital, unless it first came to Congress and received an appropriation. Thereby, we would make the Congress of the United States the board of directors to manage the Tennessee Valley Authority. I, myself, do not want, much as I honor and respect the Congress of the United States, to have the Congress act as the board of directors of the Tennessee Valley Authority. I do not believe that 531 Members of Congress can efficiently and effectively act as a board of directors to determine whether the Tennessee Valley Authority shall repair a transmission line which is down or whether it shall build a new transmission line or whether it shall rent a building in order that it may house its employees, or to make any other determination in connection with anything which it is necessary for the T. V. A. to do in order to operate that great utility.

Mr. BONE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BONE. I quite agree with the Senator from Kentucky that the amendment would change the mechanics of operation, and certainly that clearly invades the field of legislation. If the Senate wishes to pass legislation of that sort, that is all right; I will not say the Senate has no right to do so.

Mr. BARKLEY. No; I am doing my level best to keep the Senate from passing it.

Mr. BONE. I understand that, and I appreciate what the Senator is doing.

Mr. BARKLEY. Mr. President, the Senator from Tennessee [Mr. McKellar] complained that Mr. Lillenthal made speeches at Rotary clubs, Kiwanis clubs, and luncheon clubs of various kinds. Of course, we all know that everyone in public life is frequently invited to make speeches before luncheon clubs. I myself have punished many a luncheon club with a speech. [Laughter.] In spite of that, I receive repeated invitations to punish them again. I am sure the Senator from Alabama [Mr. Bankhead] has received many invitations, not to punish luncheon clubs, but to enlighten them. We accept such invitations. Of course, it should be natural for us to wish to talk about a matter about which we know something; and I presume Mr. Lillenthal knows more about the T. V. A. than anyone else does, and knows more about it than he knows about anything else. Therefore, it would be natural for him, when talking before a luncheon club, to talk about the T. V. A. It would not only be natural but it would be proper for him to enjoin against injecting politics into the T. V. A.

Mr. BANKHEAD. Mr. President—

Mr. BARKLEY. Does the Senator from Alabama desire that I yield to him?

Mr. BANKHEAD. I shall wait for a minute or two.

Mr. BARKLEY. While the Senator is waiting, I will say that of all the organizations set up in the United States, the T. V. A. is the one organization which has gone beyond what are ordinary and reasonable bounds to keep from injecting politics into its activities;

so much so, that early in its history, when many men out of employment came to me, as they came, no doubt, to the Senator from Tennessee, the Senator from Alabama, and other Senators, asking for letters of recommendation to the Tennessee Valley Authority in order to help them get a job as a blacksmith or as a carpenter or as a ditch digger, those letters were a handicap, rather than a benefit, in connection with securing the positions they were seeking; because Congress itself in the law provided that the Tennessee Valley Authority should give no consideration to political recommendations or political affiliations in the employment of persons working under it; and in order that they might not even be accused of allowing a United States Senator or a Member of the House of Representatives to influence them by political pressure or by a political recommendation, they uniformly turned them all down. I think they were properly acting within the law and in the proper spirit in doing so.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BANKHEAD. In view of the statement made earlier in the day by the Senator from Tennessee that Mr. Lillenthal had been engaging in political activities, I desire to read a letter which came to me from Mr. Lillenthal. The letter is dated March 9, more than 10 days ago. I think it is my duty to read this letter to the Senate, in view of the statements which have been put in the Record about Mr. Lillenthal's conduct and his characteristic of never denying anything, especially never denying statements that he had engaged in political activities.

As I said, the letter was written on March 9. Today is the 22d of March. I believe it is fair to Mr. Lillenthal, in view of the statements made here today that he never made any correction or denial of charges relating to him, that his letter, written more than 10 days ago, be read into the Record at this time.

Mr. BARKLEY. I yield to the Senator for that purpose.

Mr. BANKHEAD. The letter reads as follows:

DEAR SENATOR BANKHEAD: In the hearings before the Senate Subcommittee on the Independent Offices the other day you will recall that Senator McKellar charged me with engaging in political activities directed against him. This accusation he repeated in the press this morning. The amendments to the T. V. A. appropriation bill he has sponsored include what constitutes a direct charge that the T. V. A. has been engaging in political activity for and against the candidates for political office.

Your own observation of the T. V. A. and of my conduct, I believe, leaves no doubt in your mind that we have scrupulously avoided any and all activity of a partisan, political character, whether involving Presidential, Senatorial, or State and local offices. So far as Alabama is concerned, I am sure you have never had word from your constituents that would sustain in any degree Senator McKellar's serious charge of illegality on our part.



I want to say to you, as a friend and supporter of the program entrusted to T. V. A., that:

(1) The Board of Directors of the T. V. A., from the very outset has had a formal policy forbidding any of its officials or employees from engaging in any form of political activity whatsoever. That policy was promulgated before the national policy on the subject in the Hatch Act, and is more extensive in its application than is the Hatch Act. It has been severely observed by our Board, in letter and in spirit.

(2) The writer of this letter, in the almost 11 years as a Director of T. V. A., has not once, by any act or suggestion, or otherwise, promoted the candidacy of anyone for any political office—local, State, or Federal—nor has he opposed any candidacy in anyway, directly or indirectly. Any statement to the contrary is wholly without basis in fact. Any inquiry you may make of any disinterested citizens of Tennessee or anywhere in the Tennessee Valley will confirm this statement, without qualification. This fact is well known.

We are thus writing you, as a member of the Senate subcommittee on Independent Offices and as a friend of the Tennessee Valley development, because this charge of political activity, contrary to existing law and sound policy, attacks the integrity of the T. V. A. and my integrity; for it is the heart and spirit of the T. V. A., in accordance with congressional policy written in the law, that it must never be used for political purposes. And it has never been so used.

Faithfully yours,

DAVID E. LILIENTHAL,  
Chairman.

Mr. McKellar and Mr. Wiley addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Kentucky yield, and, if so, to whom?

Mr. Barkley. I yield first to the Senator from Tennessee.

Mr. McKellar. Mr. President, I wish to call the attention of the Senator from Alabama to what was said on the floor of the Senate yesterday by the junior Senator from Tennessee [Mr. Stewart]. He said he denounced Lillenthal for making a speech against him, and that Lillenthal never denied doing so. The junior Senator from Tennessee called on Lillenthal to deny it.

I wish again to call the attention of the Senator from Alabama and the attention of all other Senators to the following statement made on July 9, 1942, during a political campaign, when Mr. Lillenthal was abusing the junior Senator from Tennessee:

Mr. Lillenthal concluded by urging citizens to find out how candidates for political office stand on the issue of continued business-like management of public power agencies.

"Your eternal vigilance is the price of low-cost electricity."

He was fighting the junior Senator from Tennessee because the junior Senator from Tennessee had voted for a bill of this kind. He was out on the stump denouncing the two Senators from Tennessee, as was clearly shown here yesterday.

Mr. Bankhead. The Senator does not insist that that article properly has that meaning, does he?

Mr. McKellar. Of course it has. What else could he be referring to? Why was he making a speech? He is not ordinarily a speechmaker.

Mr. Bankhead. He did not denounce anybody.

Mr. McKellar. He visits luncheon clubs and other organizations, making speeches. He was making them in that campaign for the purpose of defeating the junior Senator from Tennessee. Time and again he tried to defeat him, not only in this speech, but in other speeches in that campaign. He was an active fighter. Everyone in Tennessee knew that he was an active fighter in that campaign. For him to attempt to deny it at this late date, when he was called upon to deny it at the time, is a confession that he was guilty or he would have denied it then.

Mr. Barkley. Mr. President, if this contest in the Senate were a political contest between the Senators from Tennessee and David Lillenthal, I would be voting for McKellar and Stewart. I do not know anything about what has happened in Tennessee in regard to this matter from a political standpoint; but if all that the Senator from Tennessee says is true, if Lillenthal actually made political speeches against him and called him by name and said to the people that they ought not to reelect him—which I do not understand he ever did—I still do not see why the entire Tennessee Valley Authority in Tennessee, North Carolina, Alabama, Kentucky, Indiana, Missouri, and Illinois should be punished in order to punish Mr. Lillenthal.

Mr. McKellar. Mr. President, will the Senator yield?

Mr. Barkley. I yield.

Mr. McKellar. I entirely agree with the Senator that the T. V. A. ought not be punished. It is not being punished. We are proposing to furnish the money to operate the T. V. A. through appropriations by Congress, instead of allowing Lillenthal to have an ever-continuing revolving fund, from which he can withdraw money whenever he wants it.

Mr. Barkley. That revolving fund is audited. We would be punishing the people who are customers and patrons of this enterprise if every time something were needed the T. V. A. had to come to Washington and appear before the Committee on Appropriations, and then wait until a bill could be considered by the Senate and the House, acting as a board of directors.

Mr. McKellar. The Senator surely does not mean that.

Mr. Barkley. I do.

Mr. McKellar. Let me say that today the Army must do the same thing. We appropriate all the money for the Army. The Army does not have to come to Congress every time it wishes to make an expenditure. It has its appropriations. The same is true of the Navy, and of every other activity of Government. It is idle to talk that way about appropriations by Congress.

Mr. Barkley. Even the Army and the Navy must come to Congress every month or so for increased sums by way of deficiency appropriation bills. Does the Senator want the Tennessee Valley Authority to be required to come to Congress every time it needs to expend a small additional amount of money on a

facility which it is charged with the duty of operating, and obtain the additional amount through a deficiency appropriation bill before it can be expended?

Mr. McKellar. That is not what this amendment proposes. It simply proposes that expenditures be made from the appropriations. We propose to appropriate \$66,000,000 for the T. V. A. It will be some time before the T. V. A. can have an opportunity to spend all the \$66,000,000. We all know that if and when the T. V. A. comes to Congress with a good reason for the expenditure of money, the money will be provided. If I did not think so, I would not be in favor of the amendment. In my judgment the T. V. A. should be treated just as every other activity of the Government is treated. It should come to Congress for its appropriations, and should pay its receipts into the Treasury of the United States. That is what we said in the first law, with the one limitation, and that is what we should say today.

Mr. Barkley. The Tennessee Valley Authority has been in existence for 11 years, and for 11 years it has been doing what it is now doing. There has been only one attempt to change the procedure. That was in 1942, and it was a failure. Now, after 11 years, we are asked to say to the Tennessee Valley Authority, "You shall not pursue business methods which are meticulously audited and examined by private and governmental auditors, because there is a controversy, personal in some respects, between certain Senators and someone on the board of directors."

Mr. Hill. Mr. President, will the Senator yield?

Mr. Barkley. I yield.

Mr. Hill. I think for the sake of the RECORD it should be said that the speech to which the Senator from Tennessee repeatedly refers was delivered by Mr. Lillenthal before the Knoxville Kiwanis Club.

Mr. Barkley. In that connection, let me ask the Senator whether Mr. Lillenthal barged in on the Knoxville Kiwanis Club and broke down the doors in order to get in, or was he invited to appear before that organization?

Mr. Hill. I am quite certain that he was invited to appear. I have never heard of his barging in anywhere. I am sure that he was invited to come before the organization and deliver an address on July 9, 1942.

The fact is that the junior Senator from Tennessee [Mr. Stewart] felt that some things which Mr. Lillenthal said in that speech were against the interest of his candidacy. It is not for me to pass judgment on whether the junior Senator from Tennessee is correct. The fact remains that in that speech neither the name of the senior Senator from Tennessee nor that of the junior Senator from Tennessee was mentioned. But even if Mr. Lillenthal did say something in that speech which could be construed as against the candidacy of the junior Senator from Tennessee, it is the only speech and the only statement of any kind or character that the senior Senator from Tennessee has been able to submit to

the Senate as being a political speech from Mr. Lillenthal. The Senator has said that not only did Mr. Lillenthal make this speech, but time and again he spoke against the candidacy of the junior Senator from Tennessee. This is the only speech that the Senator from Tennessee has been able to submit to the Senate. The senior Senator from Tennessee stated yesterday that for years Mr. Lillenthal had been making speeches fighting him. Where are all those speeches? Where are all those statements? Where will we find, aside from this one speech, anything that Mr. Lillenthal has said against the Senator from Tennessee?

Mr. McKELLAR. If the Senator from Kentucky will yield, I shall be very happy to answer that question.

Mr. BARKLEY. I yield.

Mr. McKELLAR. Here is another statement. This is from the Chattanooga Daily Times of May 8, 1942, during the same campaign.

Mr. BARKLEY. Before what Kiwanis Club was that statement made?

Mr. McKELLAR. I do not know. We shall see. I read from the Chattanooga Daily Times of May 8, 1942:

"The Tennessee Valley Authority, throughout its 9 years of existence, has been governed by the 'rule of merit' and not 'rule of political reliability' in the selection of its personnel." Chairman David E. Lillenthal, of the T. V. A. Board of Directors, declared here last night in a speech which, in part, at least, was directed at the fight that United States Senator KENNETH McKELLAR conducted successfully in the Senate against the Authority. While the T. V. A. Board's Chairman did not use Senator McKELLAR's name at any time during his remarks—

As I pointed out the other day—

it was obvious that they were directed at him. He was here to address a mass meeting of T. V. A. workers.

He was addressing a mass meeting of T. V. A. workers and denouncing one of the Senators from Tennessee because he did not do as the great director of the T. V. A. wanted him to do.

I have referred to two occasions. There were many others. The truth is that all during that campaign this man Lillenthal went all over the State denouncing me and denouncing the junior Senator from Tennessee.

Mr. HILL. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. HILL. It is easy for the Senator from Tennessee to say that Lillenthal went all over the State denouncing him; but the language which he quoted contains no reference to the Senator from Tennessee. It speaks of the fact that we wrote into the fundamental, basic act of the T. V. A. the provision that there should be no politics, but that there should be a merit system. We even provided that if any T. V. A. employee in any way engaged in politics with reference to the personnel, he should be peremptorily fired. One of the greatest contributions the T. V. A. has made has been to prove that it is possible under our system of government to have a great governmental agency free from politics. It was not

unnatural for Mr. Lillenthal, speaking to the personnel of the T. V. A., to mention the fact that they were under a merit system, free from politics.

Mr. BARKLEY. I have no way of knowing whether Mr. Lillenthal had in mind the senior or the junior Senator from Tennessee when he was urging that the T. V. A. be kept out of politics. However, I certainly feel that in urging that that be done not only was he on solid ground, but he was complying with the law itself, which went further than any other law of which I know to keep this activity out of politics, to such an extent that no one may be employed or dismissed by the T. V. A. because of his politics.

I recall that early in the proceedings I wrote a letter to Dr. Morgan, as chairman of the T. V. A. Board, recommending a man from my State who wanted to obtain a job. It is hard to refuse to write letters of recommendation when one's friends ask for such letters. Dr. Morgan replied to me, calling attention to the provision of the law which prevented political considerations. I did not write him any more letters in behalf of anyone, but I did not interpret his letter to me as an attack upon me because he was insisting that the law be observed by keeping politics out of appointments.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. STEWART. I wish to make an observation. A discussion of the 1942 campaign has been resumed here today. Again Mr. Lillenthal has been quoted. Yesterday I made a statement as to my recollection with respect to the speech made by Mr. Lillenthal at Knoxville. The speech was certainly aimed at me. Everyone with whom I talked at that time so construed it. It was during the heat of the campaign. The vote which I had cast on a certain amendment relating to the T. V. A. was an issue in the campaign. That was the picture. There could be no question about that part of it. However, as I stated yesterday, I shall not support all the amendments which are being presented here at this time. I am sorry that I cannot go along with my colleague on all of them. As I have already said, I wish to make a statement, not a speech, explaining my vote.

There can be no question about Mr. Lillenthal's political activity. I know. I have been prodded and punched by that thing once, and I carried my campaign all over the State of Tennessee feeling the effects of it. Unless I cannot understand the English language, there is no question that that man was acting politically. I believe that, in the interest of efficient operation of the T. V. A., he should be removed. I have said so, heretofore. However, so far as that is concerned, it probably has nothing to do with the handling of the money of the T. V. A., paying it into the Treasury, or handling it in one way or another. As pointed out by the Senator from Alabama yesterday, that is a different proposition. But Lillenthal was active politically in 1942. I do not believe there can be any doubt about it. And if he was,

certainly the law was violated. As the junior Senator from Alabama has pointed out, persons who are employed by the T. V. A. are not supposed to take any active part in political campaigns. They are restricted, as are other Government employees, and their activities are circumscribed by certain provisions of the law which forbid active participation in political campaigns. My honest belief is that Mr. Lillenthal violated both the spirit and the letter of the law.

Mr. BARKLEY. I appreciate the Senator's statement, and he knows that I would not, by any word, gesture, or thought of mine, approve of Mr. Lillenthal, or anyone else holding a Government position, opposing the Senator from Tennessee in a campaign, although we all recognize that everyone has a right to vote as he pleases. I certainly would not condone any surreptitious attack, or covert or open attack, on the Senator from Tennessee in a political campaign. But my point is that, even if we admit that to be true, there is a way by which to deal with an activity of that kind. If Mr. Lillenthal is to continue as a director, he must be reappointed, and the Senate will have to confirm him. We can deal with that subject when the proper time comes. The point is that we should not, in the midst of consideration of an appropriation bill, enact legislation, which was not considered for a moment by the committee which framed the T. V. A. legislation, as a punitive expedient against Mr. Lillenthal or anyone else.

Mr. President, I have taken more time than I had intended, and I shall bring my remarks to a conclusion.

Mr. WILEY. Mr. President, I have been very much interested in the remarks of the Senator in which he gave us a picture of the financial operations of the T. V. A. I was not in the Chamber when the statement was made. As I understand, he has stated that under the present law, and the amendments now in operation, the T. V. A. operates as a business concern; it takes in receipts, makes expenditures, and at the end of the year the balance of the funds remaining is placed in an account in the United States Treasury. Am I correct in my understanding?

Mr. BARKLEY. The Senator is correct. Technically, the money does not go into the Treasury general fund.

Mr. WILEY. Does it go into a special account?

Mr. BARKLEY. Yes; but the money is under the guardianship of the Treasury, in a special T. V. A. fund.

Mr. BANKHEAD. And subject to appropriation.

Mr. BARKLEY. Subject to appropriation.

Mr. McKELLAR. Oh, no. Does the Senator state that the T. V. A. money is subject to appropriation?

Mr. BARKLEY. Of course, it is.

Mr. McKELLAR. It is subject to the checking authority of the Board, and is in no way subject to appropriation.

Mr. BARKLEY. It is subject to appropriation after the T. V. A. turns the balance in.



Mr. McKELLAR. Oh, well; the balances have not been turned in.

Mr. BARKLEY. Last year the T. V. A. turned in \$13,000,000. In the technical sense it did not go into the Treasury. It was turned into the fund, earmarked, and set aside by Congress for that purpose.

Mr. BANKHEAD. And it was appropriated for Government uses under the T. V. A. program.

Mr. BARKLEY. That is correct. Each appropriation bill dealing with this agency has provided for appropriating the money turned back into the fund by the T. V. A.

Mr. WILEY. Be that, as it may, I think we understand the general operations at the present time.

With respect to page 52 of the bill, I understand the objection of the Senator is to the effect that the language there provides that all the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1945 and subsequent fiscal years shall be covered, as and when collected, into the general fund of the Treasury of the United States. That language means that no longer could the Authority receive money and make normal payments in the course of business, but that every payment which had to be made would have to be paid out of the Treasury. Am I correct in that understanding?

Mr. BARKLEY. It would have to be paid out of the Treasury under an appropriation of Congress, just as any other money is appropriated and paid out of the Treasury.

Mr. WILEY. Then, am I correct in my understanding that the very crux of the issue here is whether the Authority should continue to operate in the usual way in which a private business concern would operate, or whether the funds should go into the Treasury and then be reappropriated, and payments made from that fund after the appropriations had been made?

Mr. BARKLEY. That is the sole issue.

Mr. WILEY. I thank the Senator.

Mr. BARKLEY. Mr. President, in a colloquy with me a moment ago, the Senator from Washington announced that he would make a point of order against this amendment. I do not see the Senator on the floor. I am reminded by the Senator from Wisconsin [Mr. LA FOLLETTE] that the amendment to which the point of order is to be made is the Watts Bar steam-plant amendment, and not the pending amendment. The real crux of this whole thing is the amendment on page 52. The amendments on page 51 with reference to Watts Bar steam plant, Fort Loudon Dam, and the Sheffield steam plant are not in the amendment to which the point of order is directed.

Mr. McKELLAR. They are all included in the one amendment.

Mr. BARKLEY. They are separate amendments.

Mr. McKELLAR. No; they are not separate; they are all a part of one amendment.

Mr. LA FOLLETTE. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator will state it.

Mr. LA FOLLETTE. Are not the amendments appearing on page 51 and page 52 separable?

The VICE PRESIDENT. From a parliamentary point of view, they are separable.

Mr. LA FOLLETTE. They would be considered as separable. They are separate amendments. For instance, the amendment on page 51 begins in line 17 and strikes out certain words but does not propose to insert anything. That must be the first amendment.

The VICE PRESIDENT. The amendment now under consideration is in line 14, page 51 to insert the word "of", which has not heretofore been agreed to.

Mr. McKELLAR. Mr. President, let me call the attention of the Chair to the fact that the words "Watts Bar steam plant; Fort Loudon Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project)" are a part of the sentence that ends on page 53 with the words "the general fund of the Treasury of the United States." I will read it to the Senator.

Mr. LA FOLLETTE. The Senator does not have to read it. If the Senator from Kentucky will pardon me—

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. Obviously, whether it is one sentence or whether it is not it proposes to affect very different subject matters, and obviously, under all parliamentary law and procedure and the rules and precedents of the Senate, these amendments should be considered separately.

Mr. McKELLAR. I have no objection to their being considered separately, but they are a part of one sentence.

Mr. LA FOLLETTE. That has nothing to do with whether or not the amendments are separable.

Mr. BARKLEY. Mr. President, if we were voting on these amendments in the ordinary course we would vote on them separately, whether they are a part of one long sentence or whether they are a part of four or five different short sentences.

Mr. McKELLAR. Why not let us vote on them?

Mr. BARKLEY. The amendment on page 51 striking out Watts Bar steam plant, Fort Loudon Dam and the Little Tennessee River extension have no connection whatever with the language at the bottom of page 52 which deals with the handling of the funds.

Mr. McKELLAR. If it will help any to obtain a vote, I am perfectly willing to have them considered separately.

The VICE PRESIDENT. The question is on agreeing to the amendment in line 14, page 51.

Mr. McKELLAR. I suggest the absence of a quorum.

Mr. LA FOLLETTE. Mr. President—

The VICE PRESIDENT. Does the Senator from Tennessee withhold his point of no quorum?

Mr. McKELLAR. I withhold it.

Mr. LA FOLLETTE. Mr. President, I do not think the Senator from Kentucky had concluded his remarks.

Mr. BARKLEY. No; I had not quite concluded.

Mr. LA FOLLETTE. I understand the Senator from Illinois [Mr. Brooks] wishes to be heard, and when it comes to considering the specific amendments I myself want to be heard briefly. The amendments will have to be taken up in the usual parliamentary manner and be considered in their order. I do not want any confusion to exist that, because the Senator from Tennessee is willing to have them considered separately, when they have to be considered that way, it is going to have any effect on the debate.

Mr. BARKLEY. Mr. President, I had about concluded. I had intended to read a number of telegrams and letters from people in Kentucky and Tennessee and Alabama in opposition to this amendment and attempting to state what the effect of it would be upon their communities and their public utilities; but I shall not take the time of the Senate to do that. I may say, however, that I have scores of such communications, including resolutions adopted by organizations in Tennessee and Alabama and in the State of Kentucky, opposing this amendment. I shall not encumber the Record with them, but simply wish to state, in conclusion, that I think it would be really a tragedy for this amendment, that is the crux of these amendments, to be adopted. There are a number of amendments, some of them limiting the number of automobiles which may be bought, and all that sort of thing, the wisdom or folly of which I am not now discussing. I am talking about the fundamental question of changing the law relative to the handling of the funds, the receipts and disbursements, and especially the receipts of the Tennessee Valley Authority. So I hope that the amendments in that particular at least will not be agreed to.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McKELLAR. The Senator is right about that being the crux of the matter. I am perfectly willing, if the Senator is, to vote on that amendment now, and to vote on the others later.

Mr. BARKLEY. I do not imagine it will take long to dispose of these technical amendments.

#### ASSAULTS ON CONSTITUTIONAL FORM OF GOVERNMENT IN THE UNITED STATES

Mr. BROOKS. Mr. President, for 12 years the American people have been witnessing assault after assault upon their traditional constitutional form of government. These assaults have been made not only in disregard of, but sometimes in apparent contempt for, the constitutional safeguards protecting the liberties of our people and limiting the powers of Federal governmental officials over them.

These assaults have been made always behind the smoke screen of propaganda poured out to confuse the people and portraying imaginary necessities during depression, emergencies, and now war.

The present assault is a demand for a national service law under which all of our people would truly be subjected to the rules and regulations of a "commander in chief."

We still live in a free country under a Constitution guaranteeing a representative republican form of government. Under our system, both labor and private enterprise are producing the greatest supply of war materials ever known in the history of the world. They have brought about the production miracle of the ages—one which has astounded not only our enemies, but our allies as well. Now, to say that any individual shall be conscripted under Government direction to work for any private employer smacks of that involuntary servitude to rid ourselves of which our Nation once engaged in a bitter civil war.

While 10,000,000 men are away from home in the armed services fighting for American freedom, we, above all others, should defend their wives, sisters, daughters, and families from involuntary servitude and serfdom. Conscripting of labor in America would destroy rather than implement our miracle of production, and might well destroy our free country.

No program to conscript labor fits into the fabric of our free Government. Labor slavery might properly fit into the communistic theories of some New Deal bureaucrats. The "fellow travelers" who map out New Deal policies and want to determine in detail each individual life find that they can do so only when they can completely dictate those lives.

Under a national service law, bureaucrats could tell each free American when to work, where to work, how much to work for, and how long. The Constitution provides:

The President shall be the Commander in Chief of the Army and Navy of the United States and of the militia of the several States when called into the actual service of the United States.

That, and nothing more. There is nothing in the Constitution that says he shall be the Commander in Chief of the Nation or of the people—not yet.

A draft-labor scheme fits perfectly into the general program of aggressive "power grabbing," which has been the distinguishing characteristic of the New Deal. Each pretended crisis in government has been marked by new evidences of this underlying mania for power—power over the States; power over private enterprise; power over resources; and now power over the rights of all our people.

This determined effort to control the lives of American people is evidenced constantly by the mass of directives, edicts, and Executive orders flowing constantly from the heads of the bureaus. The present unpardonable confusion prevalent throughout the country has been caused by conflicting rules and estimates constantly being issued by the War Manpower Commission, the Selective Service, and the War Production Board.

Mr. President, compulsion born of this constant confusion can never be made a substitute for the unity of purpose of a free people.

The American people have shown a willingness to go to any extreme in sacrifice to preserve their liberty, their form of government, their security, and their opportunity to contribute to the welfare of mankind. What they want now is a well-considered, permanent, and orderly plan to meet the real problems of this global war and the perplexing problems that will inevitably follow. That can only be given them by a leader surrounded by competent liberty-loving Americans dedicated to maintain the freedom of our people at home—the freedom for which our men are fighting abroad.

#### EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. AIKEN. Mr. President, I have always been interested in the great American experiment known as the Tennessee Valley Authority, although I have not always agreed with all its policies. I knew Dr. Arthur Morgan when he was Director of the Authority. I had a great deal of respect for him, and considered him one of the most honest and courageous of Government servants at that time. I felt that he was unjustly treated and unjustly removed from office, and I still entertain that belief.

Mr. President, I feel that we are not voting on Dr. Arthur Morgan or Mr. David Lillenthal today. We are going to vote as to whether we will take any steps to restrict the work of the great Tennessee Valley Authority at this time.

I think we might do well to consider what work the T. V. A. is doing today. It is doing work which affects the life of practically every person in the United States, and particularly the work being carried on and the production being made on every farm.

Besides producing 9,000,000,000 kilowatt-hours of electricity, most of which has been going into war production, the Tennessee Valley Authority has been producing large quantities of ammonia, ammonium nitrate, and phosphorus, for munitions; and calcium carbide for synthetic rubber.

It has been aiding farmers in producing more food without additional manpower, through improved farming methods based on T. V. A. phosphate fertilizers distributed in 29 States. If I read the amendments correctly, they would put a stop to the distribution of any of this fertilizer for experimental work in these 29 States, unless the consent of the county agent of the county had previously been obtained.

T. V. A. has supplied thousands of tons of concentrated phosphatic fertilizers for the food-production program of Great Britain.

It has constructed new electric-generating plants at a rate which kept power supply ahead of expanding war needs, and all of us should be familiar with the part the T. V. A. has played in the production of aluminum during our greatest need for aluminum.

T. V. A. has trained Army medical officers in malaria-control methods. It has developed equipment and techniques for preserving foods by quick freezing and by dehydration. I know of some of this work, because for several days I presided over subcommittee hearings at which representatives of the T. V. A. testified, and demonstrated the dehydrating outfit which had been perfected by the T. V. A.

The T. V. A. has made available to industry surveys of new sources of critical raw materials urgently needed in the war effort.

It has developed new methods of producing aluminum from common clays, and magnesium from native olivine.

Mr. President, the part of the work of T. V. A. in which our people in the Northeast have been particularly interested has been that having to do with the fertilizer situation. About 2 years ago we began to experience a critical shortage of nitrates, and the T. V. A. went to work on the production of ammonium nitrate. At first the product would gather moisture so that it would not go through the fertilizer spreader, and it did not work out so well. A year ago they started experimenting with ammonium nitrate, and finally perfected a process by which it can be manufactured and kept dry and made available for use months afterward.

A few nights ago I was talking with the manager of the largest farm cooperative in New England, the Eastern States Farmers' Exchange. He told me that ammonium nitrate which has been developed by this new process, partly through the efforts of the T. V. A., is now keeping perfectly, and they are using all of it they can get.

Ammonium nitrate, incidentally, will provide American farmers with nitrogen at two-thirds the cost of imported nitrate of soda. I do not give T. V. A. all the credit, because private concerns have also been doing experimental work, but I dare say that if it had not been for the work which has been done on fertilizer by the T. V. A. we would today be paying at least twice as much for nitrates and phosphates as we are paying. If we were paying twice as much, we would not be producing nearly what is being produced on the farms today.

We are now experiencing a serious labor shortage, and we all know that heavier applications of fertilizer will go part way in making up the labor shortage, through producing greater amounts on smaller areas.

Only last month, or the month before, a delegation representing the farmers from the northeastern section of the United States called on me and asked me to do what I could to help T. V. A. secure a new phosphate plant, because they were desperately in need of more



superphosphate, and this seemed to be the only way by which they could get it.

I say, therefore, Mr. President, that I shall not vote today on Mr. Lillenthal or Dr. Morgan, or any other personalities. I think we spend too much time legislating around personalities anyway. But I wish to say, in conclusion, that any crippling of the Tennessee Valley Authority, or any unnecessary restrictions on its work at this time, would produce an unfavorable effect, which would be felt on every farm in the United States.

Mr. STEWART. Mr. President, I know there are a number of amendments to be considered, and I understand they will be considered separately. I shall not attempt to make a speech, but merely a brief statement explaining my vote on the most controversial amendment, that is, as to the proposal to cover into the Treasury the Tennessee Valley Authority funds.

About 2 years ago I voted for a measure which, among other things, would have made the Tennessee Valley Authority cover into the Treasury of the United States all its receipts. The measure failed of congressional approval at that time.

Essentially the same measure, along with others, is again before us. I believed 2 years ago, and I still believe, it is sound policy to require all agencies of the Government to be responsible to Congress for the money they get, and accountable to it for what they spend. I believed that so strongly then that I felt the measure offered should be passed, even though we were entering into a great war. There were hypothetical reasons advanced why such a change in the manner of operating T. V. A. affairs should not be undertaken during wartime.

Two years have elapsed, and we are now deeply engrossed in that war. Indeed, we are now perhaps at a critical juncture in our prosecution of it. Our productive facilities and our manpower are now taxed to their limit. Our armed forces in the European theater are at the moment probably poised for a full-fledged invasion attack. The exigencies and demands of such an engagement are virtually unpredictable. The present need for unhampered agricultural and industrial production in the Tennessee Valley is of paramount importance. I do not think anyone here would gainsay the great stress of our situation.

If there were no other consideration involved save the mere changing of the manner in which T. V. A. accounts for its expenditures and secures money with which to operate, I would insist that the law even now could be changed without injury to the great work of T. V. A., or of the many enterprises and industries dependent upon it for electric power. But such is not the case.

Since this issue has been revived recently I have received reports from numerous men engaged in various enterprises which are dependent on T. V. A. for power—from members of rural electric cooperatives, farm organizations, from manufacturers, from public and

business leaders throughout the valley, and from users of T. V. A. power generally. I have made considerable inquiry of my own and I have pondered the reports that have come to me.

On the basis of the claims made and of the common state of mind manifested among those engaged in wartime production in the valley, I have concluded that, regardless of the soundness of the idea involved, a change-over at this time might produce harmful results. There is no rule but has its exception; there is no principle infallible. The question involved has ceased to be one of a sound, or unsound, idea of fiscal government, but of the state of mind of the people in the valley and of the enterprises vital to this war that are contingent upon their concentrated and undisturbed effort.

It is manifest that the people of the valley in overwhelming number believe the proposed amendment will prove hurtful to T. V. A.

Any diversion of their attention from their wartime tasks, any dissipation of their energies in uncertainties and confusion growing out of the problematic effect of the proposed change might result in a loss of graver consequences than the good to be gained. I am so impressed with the dangers involved in making any change in a situation now operating with apparent smoothness that I must vote against a measure which under other circumstances I might support.

It is provided in the original Tennessee Valley Authority Act that the principal offices of the corporation shall be at Muscle Shoals, Ala. This provision was placed in the law for the simple reason that all corporations must have a principal office or situs for the purpose of the service of civil process, etc. This is not a provision that would require the actual active working office to be located there, but, as a matter of fact and as a matter of law, the Authority can maintain operating offices anywhere in the valley and, in the interest of efficient operation, such flexibility is both desirable and essential because of the widespread area now covered by the Authority, which is, in fact, operating in seven or eight States.

Of course, I vigorously oppose the provisions proposed to be placed in the act as committee amendments prohibiting the expenditure of money for principal offices anywhere except at Muscle Shoals. The present set-up should be left undisturbed.

Mr. LA FOLLETTE. Mr. President, I shall not take any considerable time in discussing the background and the history of this great enterprise on the Tennessee River. When I first came to the Senate in 1925, and as a secretary to my father for the 6 years preceding, I witnessed the struggle to prevent the great Muscle Shoals Dam and the power plants and nitrate plants which had been constructed there from being turned over to private bidders for a song. After I became a Member of the Senate I joined as best I could in my humble way in helping the then great senior Senator from Nebraska, George W. Norris, in that fight. I did all in my power to fur-

ther the enactment of the Tennessee Valley Authority legislation. And since that time, whenever opportunity has offered here in the Senate, I have given my wholehearted and vigorous support to the enterprises. I have done so, Mr. President, because from early youth I have been impressed with the great wastage of our natural resources which has occurred in the development of this great Nation which is a slice of a continent.

In the Tennessee Valley Authority experiment we have for the first time in any great river valley in the world attempted to develop all of its natural resources, to conserve them, and insofar as possible to restore them in order that they may be maintained for oncoming generations in such magnitude and plenitude that they may afford a sound and an adequate basis for a continued civilization in this Nation.

It seems tragic to me, Mr. President, that after this experiment has gone through its initial stages of development and has attained the great success which it has achieved, that it should now be subjected to proposals contained in a series of amendments which inevitably would cripple and greatly impair the operations of the enterprise. It seems passing strange to me, Mr. President, that support for these amendments should come in many instances from those who are often critical of the lack of business principle and practice in governmental operations. And yet these proposals taken as a whole will have the effect of preventing this gigantic enterprise, in which more than \$750,000,000 of the taxpayers' money has been invested, from operating on sound business principles, principles and practices which are followed by every corporation in the United States that is properly and prudently managed.

Mr. BONE. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. BONE. I merely want to call the Senator's attention to one provision on page 53, line 17, which forbids paying for advertisements in newspapers. I want to suggest in that connection that every private power company in the United States is at this moment and day by day putting full page ads in the newspapers telling about their contributions to war work, and in my own State of Washington they are getting ready now to put on a national campaign of advertising which will be paid for by the light and power users of my State.

Mr. LA FOLLETTE. I appreciate the Senator calling attention to that matter. It is perhaps one of the more minor amendments of the character which I have been attempting to describe in general language, but it shows the danger of a committee of Congress, or the Senate or the House, or the Congress as a whole, attempting to sit in and participate in the management of a giant enterprise of this character.

The facts are, so far as newspaper advertisements are concerned, that the Tennessee Valley Authority has never indulged in any newspaper advertising such as the Senator from Washington

has indicated the private power companies undertake. It has never indulged in any general advertising of a self-laudatory character pointing out its service to the people who live in this great river valley and who are served by this giant utility enterprise. The only advertising that they have ever engaged in, Mr. President, was when they joined in the campaign of advertising as a part of the utility system of southeastern United States at a time of a drought, appealing to people not to waste electrical energy. The only other types of advertising they have indulged in is help-wanted advertising when they are short of manpower in this critical manpower situation.

Yet, Mr. President, we have here a proposal solemnly presented by a great committee of the Senate prohibiting this \$750,000,000 enterprise from utilizing newspaper advertisements in an effort to find replacement for employees who are drafted into the armed services of the United States. Is that the kind of business policy that the Senate of the United States is going to inject when it first indulges in interference with the management of this corporation?

Mr. President, that is just a flyspeck so far as these amendments are concerned. As I said before, the general character of these amendments can have no other effect than to cripple the operation of this giant enterprise, to cripple it in the midst of the most serious war this Nation or any other nation has ever been engaged in, and to cripple it at a time when products manufactured with the power developed by this giant system are critically needed by the men on the battle fronts all over the world and by the men who are on the high seas in the Navy of the United States, scattered around the entire globe.

Mr. President, I wish to say that in my humble opinion it is a vital mistake even for those who have never subscribed to the principles or the objectives of the T. V. A. to join in responsibility for adopting these amendments, for the moment Senators do so, they must assume responsibility for the management of the project, inasmuch as they will then have relieved the Board of Directors of the T. V. A. of its sole responsibility for management, which it now must fully assume and discharge. By adopting the amendments, the Senate would give the Board of Directors a sound alibi for any future mistake or failure which it might make. I venture to say that if these amendments become law, they will be thrown back into Senators' teeth again and again in the future.

Now I wish to discuss briefly the first amendment. I cannot believe any person who has given consideration to this matter could be in favor of it. The first amendment of substance—I am skipping the pending amendment, which provides for the injection of the word "of" in line 14—appears on page 51, line 17, and proposes to strike out the following words: "Watts Bar steam plant."

Mr. President, the Watts Bar steam plant was specifically authorized by Congress, just as every other dam, power

unit, and waterway this great enterprise has constructed has been authorized. It is complete misrepresentation to say that the Congress of the United States has not definitely and specifically authorized by statute every unit of this great system. In the course of that authorization the Congress authorized the construction of the Watts Bar steam plant. Ninety percent of the work on that project will be completed by the end of this fiscal year. Four million dollars of money will have been invested in it. The Watts Bar steam plant has a capacity of 60,000 kilowatts. It is a part of the integral power-development program in connection with the war effort. It has been relied upon by war industries in the Tennessee Valley to provide additional power for the fulfillment of their war contracts. If the majority of the Senate follows the recommendation of the Appropriations Committee and strikes out the provision for the Watts Bar steam plant, it will have to assume responsibility for denying electrical energy needed, necessary, and essential to the war effort in the Tennessee Valley. If in the future on the battle fronts of the world, during the present war effort, there are shortages of materials which could have been manufactured by use of the electrical energy this 60,000-kilowatt plant could have furnished, the responsibility will rest upon the majority of the Senate which votes to adopt the amendment, and to do so after Congress has already authorized construction of the plant, which will be within 90 percent of completion on June 30, 1944. Mr. President, if the Senate adopts this amendment, and fails to permit the Tennessee Valley Authority to complete the project, the Senate will have sunk \$4,000,000 of the taxpayers' money into a steam-power electric plant which will not be able to turn a wheel or develop a single kilowatt of energy at a time when this Nation is short of electrical energy.

Mr. AUSTIN. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Vermont?

Mr. LA FOLLETTE. I yield.

Mr. AUSTIN. I ask the Senator how much money is involved in the completion of the Watts Bar steam plant.

Mr. LA FOLLETTE. I cannot say exactly. If it is within 10 percent of completion, it would be a very rough guess, inasmuch as \$4,000,000 has already gone into it—

Mr. DANAHER. Mr. President, will the Senator yield to me?

Mr. LA FOLLETTE. I yield.

Mr. DANAHER. On page 427 of the hearings, Mr. Lillenthal said that the total amount will be approximately \$18,000,000 for the entire plant.

Mr. LA FOLLETTE. Of course, this unit is 90 percent complete, and can well be completed during the next fiscal year.

One other point I wish to make about it is—

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. McKELLAR. To complete the Watts Bar steam plant, \$525,000 will be

needed. But the trouble is that the War Production Board has stopped the completion of those steam plants. So it is not necessary for the Congress to appropriate the money for the plant, inasmuch as action toward completion of the plant could not be secured even after the Congress had appropriated the money.

Mr. LA FOLLETTE. Mr. President, I dislike to differ with the Senator from Tennessee, but my information is that this project was not one of the projects stopped by the War Production Board. It was one of the projects the War Production Board recommended in view of the necessity for the 60,000 additional kilowatts of electrical energy. As a matter of fact, it is only with the approval of the War Production Board that the necessary priorities could have been issued. Otherwise, the necessary materials could not have been obtained. Without the authorization of the War Production Board, construction of the plant would have had to be stopped.

It is true that the War Production Board did stop the construction of the Watauga Dam and some of the other dams which Congress had authorized; but the addition of this 60,000-kilowatt steam plant was specifically recommended by the War Production Board. If the Senate agrees to this amendment, the Senate will be flying in the face of its own authorization, will be flying in the face of the expenditure of \$4,000,000 which has already been made thereunder, and will be flying in the face of the recommendation of the War Production Board that this steam unit be completed. Mr. President, I simply cannot believe that the majority of the Senate will indulge in such an action at this time.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. REVERCOMB. Will the able senior Senator from Wisconsin clarify the figures which have been cited? The Senator said \$4,000,000 has already been expended, and we are advised that \$18,000,000 will be necessary to be spent in order to complete the plant.

Mr. LA FOLLETTE. I think the Senator from Connecticut [Mr. DANAHER] took the total figure for the projected total units in the future.

Mr. DANAHER. For four units.

Mr. LA FOLLETTE. But the Watts Bar steam plant is merely one unit which was recommended by the War Production Board, because the War Production Board found, after a careful survey, that it needed this 60,000-kilowatt-capacity plant in order that there should be energy available for war production work in the Tennessee Valley.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. LA FOLLETTE. I am glad to yield.

Mr. REVERCOMB. Can we not be advised with some definiteness as to what amount of money would be necessary to be expended in order to complete this unit?

Mr. LA FOLLETTE. According to the Senator from Tennessee, it would cost about \$525,000 to complete this single



unit. The figures of the Senator from Connecticut apply to three additional units which have been projected as a part of this project in the future.

Mr. REVERCOMB. As I understand, the Senator from Wisconsin is interested only in this one particular unit at this time?

Mr. LA FOLLETTE. I am not interested in it at all personally. I am interested in it only because I feel that it would be a tragic mistake, merely because there may be some feeling against the T. V. A. or some member of its Board, or because there may be Senators who, had they been here in the first place, would not have approved a government enterprise of this character, to take a step at this time which I think the bare facts prove would interfere with the war effort. I wish to emphasize to the able Senator from West Virginia that no alternative power is available.

Mr. REVERCOMB. I did not mean to indicate for a moment any personal interest on the part of the Senator from Wisconsin other than his interest as a Senator and a member of the National Government.

Mr. LA FOLLETTE. I appreciate that.

Mr. REVERCOMB. Is the Senator arguing for the completion of this one unit, or for the completion of the four units at this time?

Mr. LA FOLLETTE. I am arguing only for the completion of this one unit. That is all that would be involved if the committee amendment were rejected.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 51, line 14.

Mr. LA FOLLETTE. Mr. President, as I understand, the pending amendment is to strike out the Watts Bar steam plant.

The VICE PRESIDENT. The pending amendment is on page 51, line 14, after the word "provisions" to insert the word "of."

Mr. LA FOLLETTE. I have no objection to that.

The VICE PRESIDENT. Without objection, the amendment is agreed to.

The clerk will state the next committee amendment.

The CHIEF CLERK. Under the heading "Tennessee Valley Authority," on page 51, line 17, after the word "Kentucky" it is proposed to strike out "Watts Bar steam plant; Fort Loudon Dam (including an extension to bring the waters of the Little Tennessee River within the pool of this project)."

Mr. LA FOLLETTE. Mr. President, these are separate projects, and should be separately considered. There is a semicolon after the word "plant" in line 18.

The VICE PRESIDENT. If the Senate so desires, the items will be divided.

Mr. BARKLEY. Mr. President, it is my understanding that it is considered desirable by the Senator from Tennessee and others to take a recess at this time until tomorrow. Is there any objection to meeting at 11 o'clock tomorrow?

Mr. McKELLAR. I hope not, because I am very anxious to get through with

this bill. I hope we can meet at 11 o'clock tomorrow.

Mr. WHITE. Mr. President, may I presume to answer for myself the inquiry of the Senator from Kentucky?

Mr. BARKLEY. Certainly.

Mr. WHITE. I think it is highly desirable that we proceed with all reasonable expedition in the consideration of this measure and its final disposition. So far as I am concerned, if we take a recess now, which I think is altogether appropriate, I have no objection to meeting at 11 o'clock tomorrow.

Mr. BARKLEY. I think we should do so.

Mr. McKELLAR. Mr. President, can we not vote on some of these amendments?

Mr. LA FOLLETTE. Mr. President, there will be some discussion of the other amendments.

Mr. McKELLAR. We have just had discussion of the Watts Bar steam plant. Let us vote on that amendment.

Mr. HILL. Mr. President, there will be a discussion on each of these amendments.

Mr. BARKLEY. Mr. President, it is nearly 5 o'clock. We cannot conclude consideration of the bill today, and we cannot conclude consideration of the controversial amendments. In view of the fact that we have practically agreed to meet at 11 o'clock tomorrow, we might as well take a recess at this time.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 4410) to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty.

#### ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 4410) to extend for an additional 90 days the period during which certain grains and other products to be used for livestock and poultry feed may be imported from foreign countries free of duty, and it was signed by the Vice President.

#### EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

#### EXECUTIVE MESSAGE REFERRED

The VICE PRESIDENT laid before the Senate a message from the President of the United States nominating Rear Admiral Robert C. Giffen, United States Navy, to be a vice admiral in the Navy, for temporary service, while serving as Commander of the Caribbean Sea Frontier, which was referred to the Committee on Naval Affairs.

#### EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of a committee were submitted:

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:  
Sundry postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

#### GOVERNOR OF ALASKA

The legislative clerk read the nomination of Ernest Gruening to be Governor of the Territory of Alaska.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

#### UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

The VICE PRESIDENT. Without objection, the nominations in the Public Health Service are confirmed en bloc.

#### POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

#### THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

The VICE PRESIDENT. Without objection, the nominations in the Navy are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

#### REGULATION OF CERTAIN INSURANCE RATES IN THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of legislative business.

Mr. O'MAHONEY. Mr. President, on February 16 the Senate passed Senate bill 1029, a bill to provide for regulation of certain insurance rates in the District of Columbia, and for other purposes. This measure came to the floor of the Senate from the Committee on the District of Columbia, of which the senior Senator from Nevada [Mr. McCARRAN] was chairman at that time. The junior Senator from Ohio [Mr. BURTON] was a member of the subcommittee which had charge of this bill. It had been my intention when the bill came before the Senate to offer certain amendments.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHITE. Has the Senator from Wyoming submitted those amendments to the Senator from Ohio [Mr. BURTON]?

Mr. O'MAHONEY. I have.

Mr. WHITE. And have they his approval?

Mr. O'MAHONEY. They have. I was about to say that while I have not undertaken to present all the amendments which it was my original intention to

present, I recognize that this measure is a substantial contribution to the improvement of the insurance law of the District of Columbia. I have submitted three amendments to the Senator from Nevada [Mr. McCARRAN] and the Senator from Ohio [Mr. BURTON]. I ask unanimous consent that the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed, be reconsidered, in order that these three amendments may be adopted.

The VICE PRESIDENT. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and the votes by which the bill was ordered to be engrossed for a third reading, read the third time, and passed are reconsidered.

Mr. O'MAHONEY. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The VICE PRESIDENT. The first amendment offered by the Senator from Wyoming will be stated.

The LEGISLATIVE CLERK. On page 3, at the end of line 11, it is proposed to strike out the period and insert a colon and the following: "Provided, That nothing in this act shall be construed to repeal existing law prohibiting discrimination in individual risks or classes of risks."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wyoming.

The amendment was agreed to.

Mr. BURTON. Mr. President, at this point let me say that I concur in the statement just made by the Senator from Wyoming. He has submitted to me and to the Senator from Nevada [Mr. McCARRAN] the three amendments which he has just offered. I believe there is no substantial objection to any one of them, and I am glad to give approval to them. Personally, as the one who reported the bill in the first instance, I believe that the amendment just agreed to is clearly in order, as it preserves the present regulation against discrimination in individual risks or classes of risks, which it was intended to preserve in the first instance. This amendment clarifies the situation.

Mr. DANAHER. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. DANAHER. This morning I read in the Washington Post that a Member of the House from New Mexico, as I recall, had yesterday brought before the subcommittee of the District of Columbia Committee in the House a bill dealing with insurance rates in the District of Columbia; that it was the purpose of Hon. JENNINGS RANDOLPH to call a meeting of the full District Committee in the House to act upon the report of the subcommittee; and that some effort had been made yesterday in the subcommittee in the House to bring up the so-called McCarran bill, which is the bill now under consideration, but that such effort had been blocked.

Is it the purpose of the Senator from Wyoming, by the amendments which he now offers, to render the so-called McCarran bill, Senate bill 1029, in consonance with the bill which is being

brought up by the Representative from New Mexico?

Mr. O'MAHONEY. That is not an exactly accurate statement of the facts. The bill brought up by the Representative from New Mexico varies in considerable detail from the bill which was approved by the District of Columbia Committee.

Mr. DANAHER. That is my understanding.

Mr. O'MAHONEY. I have not offered any of the changes which were made by the Representative from New Mexico in the House; but unless the bill introduced by the Senator from Nevada [Mr. McCARRAN] and approved by the District of Columbia Committee is passed tonight, so that it may be considered in the House, there is grave danger that the valuable work which has been done by the District of Columbia Committee, by the Senator from Nevada and by the Senator from Ohio will go for naught. I desire to offer these perfecting amendments tonight and have the bill passed so that it will be before the District of Columbia Committee of the House tomorrow when it meets.

Mr. DANAHER. So that the Senator's real purpose may be stated thus, as I understand, that the McCarran bill, Senate bill 1029, as amended, will then receive consideration with the bill which is being reported by the subcommittee to the full House Committee on the District of Columbia?

Mr. O'MAHONEY. Precisely.

Mr. DANAHER. I thank the Senator. The VICE PRESIDENT. The clerk will state the next amendment of the committee.

The LEGISLATIVE CLERK. The next amendment is on page 5, line 15, to strike out the period after the word "proceedings", and insert a comma and the words "and shall file a copy thereof with the superintendent."

The amendment was agreed to.

The next amendment was, on page 4, line 19, after the word "District" and the period, to insert "Each member company of the rating bureau shall have one vote in all matters affecting the operation or affairs of the bureau."

The amendment was agreed to.

Mr. McCARRAN. Mr. President, in keeping with the remarks of the Senator from Ohio, let me say that these amendments offered by the Senator from Wyoming have been considered by both the Senator from Ohio and myself, and we believe they may properly become a part of the bill that is before the Senate at this time, and we hope that the bill may be enacted so that the legislation may become effective as soon as possible.

The VICE PRESIDENT. If there be no further amendments to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

*Be it enacted, etc., That in this act, unless the context otherwise requires—*

"District" means the District of Columbia; "Superintendent" means the Superintendent of Insurance of the District of Columbia;

"Company" means any insurer, whether stock, mutual, reciprocal, interinsurer, Lloyd's, or any other form or group of insurers;

"Agent" means and shall include any individual, copartnership, or corporation acting in the capacity of or licensed as a "policy-writing agent," "soliciting agent," or "salaried company employee," as defined under section 3, chapter I, of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1064; D. C. Code, 1940 edition, title 35, sec. 1303); and

"Broker" means any person who for a consideration acts or aids in any manner in the solicitation or negotiation on behalf of the assured of contracts of insurance.

SEC. 2. The provisions of this act shall apply to insurance in the District of Columbia against loss of or damage to property or any valuable interest therein by or as a consequence of fire, lightning, tornado, and windstorm, or any one or more of such hazards, including all supplemental, additional, or extended forms of coverage written in connection with fire insurance, and including any policy which insures property, while it is at a permanent location, against the hazard of fire, lightning, tornado, or windstorm; but this act shall not apply to ocean marine, transportation, or motor vehicle insurance, nor to insurance covering the property of interstate common carriers, nor to any form of insurance designated by the superintendent as inland marine insurance.

SEC. 3. The superintendent is empowered to investigate the necessity for an adjustment of the rates on any or all insurance risks within the scope of this act, and to order an adjustment of such rates whenever he determines, after investigation, that the profit derived therefrom for a period of time not less than 5 years immediately preceding such investigation is excessive, inadequate, unjust, or unreasonable. In determining the necessity for an adjustment of rates, the superintendent shall give consideration to the conflagration hazard, both within and without the District. The superintendent is also empowered, after investigation, to order removed, at such time and in such manner as he shall specify, any discrimination existing between individual risks or classes of risks: *Provided, That nothing in this act shall be construed to repeal existing law prohibiting discrimination in individual risks or classes of risks.*

Any person, firm, or corporation aggrieved by any order, ruling, proceeding, or action of the superintendent, or any person acting in his behalf and at his instance, may appeal to the Commissioners of the District, or contest the validity of such order, ruling, proceeding, or action in any court of competent jurisdiction by appeal or through any other appropriate proceedings, as provided under sections 44 and 45 chapter II, Public No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D. C. Code, 1940 ed., title 35, secs. 1348 and 1349).

SEC. 4. Within 120 days after the approval of this act and under the supervision of the superintendent, the insurance companies authorized to effect insurance in the District against the risk of loss or damage by hazards within the scope of this act shall organize a rating bureau for the purpose of administering rates for such insurance, and all such companies now or hereafter authorized to transact such business in the District shall be members of such bureau. The government of the rating bureau shall be vested in its members and it shall not be subject to the direction or control of any other bureau, association, corporation, company, individual, or group of individuals. The rating bureau shall have power to establish reasonable agreements and bylaws for



its governance, and shall be permitted to adopt reasonable rules and regulations necessary to carry out its functions, but such agreements, bylaws, rules, and regulations shall not be inconsistent with the provisions of this act, and the same and amendments thereto shall be approved by the superintendent before becoming effective. The rating bureau, subject to the approval of the superintendent, shall apportion the expenses of its operation among its members in proportion to the premium income on risks in the District. Each member company of the rating bureau shall have one vote in all matters affecting the operation or affairs of the bureau.

Sec. 5. No company, agent, or broker shall issue or deliver, or offer to issue or deliver, or knowingly permit the issuance or delivery of, any policy of insurance in the District which does not conform to the requirements approved by the superintendent: *Provided, however, That a company may deviate from such requirements if the company has filed with the rating bureau and with the superintendent the deviation to be applied, and provided such deviation is approved by the superintendent. If approved, the deviation shall remain in force for a period of 1 year from the date of approval by the superintendent, unless such approval is withdrawn by the superintendent, for cause after notice to the insurer, or withdrawn by the insurer with the approval of the superintendent.*

It is further provided that a rate in excess of that promulgated by the rating bureau may be charged, provided such higher rate is charged with the knowledge and written consent of the insured and the superintendent.

Sec. 6. The rating bureau shall keep a record of all rates, schedules, and proceedings, and shall file a copy thereof with the superintendent. Every agent shall keep a record of every policy contract issued by or through his agency.

Sec. 7. The superintendent, his deputy, or duly authorized examiner, is authorized and empowered to examine all records of the rating bureau, companies, and agents, and to require every company to furnish promptly accurate written information from such records as will disclose their loss or profit from any class of risk in the district.

Sec. 8. No rate, premium, schedule, rating method, rule, bylaw, agreement, or regulation shall become effective or be charged, applied, or enforced in the district by the rating bureau, or by any company, agent, or broker governed by the provisions of this act, until it shall have been first filed with and approved by the superintendent: *Provided, That a rate or premium used or charged in accordance with a schedule, rating method, or rule previously approved by the superintendent need not be specifically approved by the superintendent. No company, agent, or broker shall issue any form of policy, clause, warranty, rider, or endorsement until such form shall have been filed with and approved by the superintendent.*

Sec. 9. Any company or any agent or broker guilty of violating any of the provisions of this act shall be subject to the provisions of sections 3 and 36, respectively, and as may be amended, of chapter II, Public, No. 824, Seventy-sixth Congress, known as the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1066 and 1079; D. C. Code 1940 ed., title 35, secs. 1306 and 1340).

Sec. 10. All laws or parts of laws, insofar as they relate to business affected hereby and in conflict with any of the provisions of this act, are hereby repealed.

Sec. 11. Should any section or provision of this act be decided by the courts to be unconstitutional or invalid, the validity of the act as a whole, or of any part thereof, other

than the part decided to be unconstitutional, shall not be affected.

#### RECESS TO FRIDAY

Mr. BARKLEY. Mr. President, after conferring with the Senator from Tennessee [Mr. McKellar] and the Senator from Maine [Mr. White] I have decided to move a recess until 11 o'clock Friday next. I, therefore, move that the Senate take a recess until Friday at 11 o'clock a. m.

The motion was agreed to; and (at 4 o'clock and 54 minutes p. m.) the Senate took a recess until Friday, March 24, 1944, at 11 o'clock a. m.

#### NOMINATION

An executive nomination received by the Senate March 22 (legislative day of February 7, 1944):

#### PROMOTION, FOR TEMPORARY SERVICE, IN THE NAVY

Rear Admiral Robert C. Giffen, United States Navy, to be a vice admiral in the Navy, for temporary service, while serving as commander, Caribbean Sea Frontier.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate March 22 (legislative day of February 7), 1944:

#### GOVERNOR OF ALASKA

Ernest Gruening to be Governor of the Territory of Alaska.

#### UNITED STATES PUBLIC HEALTH SERVICE

##### PROMOTIONS IN THE REGULAR CORPS

*To be passed assistant surgeon*

Harry F. White, Jr.

*To be passed assistant sanitary engineer*

John S. Wiley

*To be temporary passed assistant surgeons*

H. Charles Franklin

Robert S. McClintock

*To be temporary senior surgeon*

Erwin W. Blatter

*To be temporary surgeon*

William H. Stimson

#### IN THE NAVY

##### TEMPORARY SERVICE

*To be rear admirals*

Thomas L. Sprague

Allan E. Smith

Robert W. Hayler

##### PROMOTIONS IN THE REGULAR SERVICE

*To be lieutenants, to rank from January 14, 1944*

Del L. Young

Lee J. Delworth

Jesse L. Holloway

Elof W. Hermanson

Homer K. Davidson

Percy D. Generous

Theodore R. Cooley

Elmo D. Runyan

Clyde B. Lee

David R. Sword

Hubert W. Fisher

James Dyer

Grant E. Horsley

Thomas E. Russell

Richard K. Margetts

Wilfred E. Fleshman

Saleem D. Frey

Walter W. Jones, Jr.

John E. King

Clyde C. Sapp

Elmer L. Prescott

John D. Fuller, Jr.

Westley L. Larson

Marion C. Kelly

William F. Gabberry

Kenneth F. Shiffer

William W. Gribble

Forrest A. Lees

Milford G. Kendall

Orville L. Beck

*To be lieutenants (junior grade), to rank from January 14, 1944*

John W. Perdue

John H. Newcomb

Bernard M. Kassell

Joseph B. Simpson

Laurence F. Seaman

Joseph C. Lawrence

*To be ensigns, to rank from January 14, 1944*

Floyd X. Passmore

Raymond E. Dillon

*To be passed assistant paymasters with the rank of lieutenant, to rank from January 14, 1944*

William C. Humphrey Arthur W. Shawkey

Edgar M. Brown Adam P. Mastio

Goff E. Manuel Creo Baldwin

*To be assistant paymasters with the rank of lieutenant (junior grade), to rank from January 14, 1944*

Edward J. Hagen

Michael J. Knapp

James E. Corcoran

John L. Warden

Francesco M. Barbero

John A. Keefer

Walter Barsz

Donald F. Kent

Joseph R. Shirley

Lester F. Bevil

Frank S. Bird

John T. Barham

Henry C. Krueger

*To be ensigns, to rank from the date stated opposite their respective names*

Harold R. Kellar, Jr., June 3, 1941.

Francis H. McClanan, June 21, 1941.

Forest H. McClanan, June 21, 1941.

Robert J. Beaudine, October 10, 1941.

William B. Troendle, October 16, 1941.

*To be assistant surgeon, with the rank of lieutenant (junior grade), to rank from September 8, 1939*

Delphos O. Coffman

*To be assistant paymasters, with the rank of ensign, to rank from the date stated opposite their respective names*

George T. McCoy, Jr., March 17, 1941.

Clark O. Martin, March 19, 1941.

Francis I. Lundquist, June 16, 1941.

Bryant W. Russell, September 24, 1941.

Edgar R. Bryant, September 24, 1941.

Robert O. Dodd, Jr., February 13, 1943.

Calvin A. Vobroucek, March 15, 1944.

#### POSTMASTERS

##### MASSACHUSETTS

Joshua T. Wilkinson, Charlton City.

##### NORTH DAKOTA

Forrest C. Cowles, Ellendale.

##### WASHINGTON

Edmond Paul Hennessey, Everett.

## HOUSE OF REPRESENTATIVES

WEDNESDAY, MARCH 22, 1944

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Throne of grace and mystery, about which are clouds and darkness, we bring our strivings and yearnings, seeking help and mercy in our need. Touch our immortal souls with seraphic fire and make manifest unto us the innermost depths of the divine. Bring Thy hallowed presence most clearly to our apprehension that we may know that there is in Thy heart a place and a refuge for every human soul in every time of storm.

Our Father, we seek understanding and vision; lead us through these hard days, braving every ignoble act and temper. Let the sentiments of love and confidence spring up along our way, rejoicing that Thy word is as strong as the hand which built the skies. We would not resign ourselves to sadness and gloom, but rather vanish these moods of the night and walk in the day. Thou who dost ask